

SMART Waters
A Regional Model for
Water and Wastewater Services in Fulton County, NY
ENGINEER'S FINDINGS REPORT

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APPENDIX A:
PAST AND PRESENT CONTRACTUAL AGREEMENTS PERTAINING TO FULTON
COUNTY MUNICIPALITIES

Appendix A:

1982 Agreement between the Gloversville Board of Water Commissioners (GBWC) and the Town of Johnstown by which the GBWC supplies water to limited areas within the Town of Johnstown.

AGREEMENT, made this 19th day of ~~JUNE~~, 1982, by and between the Board of Water Commissioners of the City of Gloversville, hereinafter referred to as the "Board", and

The Town of Johnstown, a municipal corporation within the County of Fulton, State of New York, hereinafter referred to as the "Town",

WITNESSETH:

WHEREAS, the Board has, prior to the execution of this agreement, made application to the New York State Department of Environmental Conservation-Water Resources Commission to expand its permissive area so as to permit said Board to provide water to the current customers of the Kingsboro Water Works Company, and

WHEREAS, the Board is now providing water to various customers within the Town situated within the established permissive use areas, and

WHEREAS, the Town is interested in having the Board provide water to the current customers of the Kingsboro Water Works Company,

NOW, THEREFORE, in consideration of the mutual promises and covenants herein contained, together with other good and valuable consideration, the parties hereby agree as follows:

1. The Town shall promptly initiate proceedings to form a water improvement area pursuant to the provisions of Article 12-c of the Town Law, the boundaries of which area are to encompass the existing permissive use areas and proposed permissive use area within said Town. Annexed hereto and

designated as Exhibits 1 and 1A are maps which set forth the existing permissive use areas and proposed permissive use area.

2. Upon the formation of the water improvement area, the Town shall assume responsibility for the maintenance, repair and eventual up-grading of the water lines not owned by the City of Gloversville within the existing permissive use areas and proposed permissive use area. Annexed hereto and designated as Exhibits 2 and 3 is the recommended work to be performed by the Town to up-grade the water lines in the permissive use areas. The Town shall also provide such additional maintenance, repair and up-grading as may be required to comply with the New York State Public Health Law and the Sanitary Code. The maintenance and repair work on said water lines shall be performed by or under the direction of the Board and charged to the Town. Capital improvements to up-grade the water lines to Board specifications shall also be performed by or under the direction of the Board and charged to the Town.

3. The Town represents that it shall obtain title to and/or control over the Kingsboro Water Works Company distribution system and all other private lines within the public right-of-way located in the existing permissive use areas and proposed permissive use area. Annexed hereto and designated as Exhibit 4 is an itemized list of the private lines over which the Town will obtain control and/or ownership.

4. The Town shall establish a long-range plan to make capital improvements to the water lines within the water improvement area to be established and shall consult with the Board regarding annual improvements so as to assist the Board in scheduling the work.

5. At such time as the water lines, or any section thereof, within said water improvement area are approved by the Board as being in compliance with the New York State Public Health Law and the Sanitary Code, title to such line or lines shall be conveyed to the City, at which time the Board will thereafter be responsible for all future maintenance, repair, up-grading and replacement of said water lines.

6. Upon the written request made by the Town, the Board hereby agrees to supply water to the four existing commercial and/or industrial buildings on Van Road currently occupied by Fashion Tanning Co., Inc.; Fulton County Machine Supply Co., Inc.; United Parcel Service; and George P. Hansen, Inc. The cost of extending the water distribution to supply said buildings shall be paid by the Town. The supply of water to be provided to the above buildings shall be on the same basis as water is supplied to other businesses outside the City of Gloversville.

7. The Board agrees that it will supply water to all current customers within said water improvement area, as well as the current customers of the Kingsboro Water Works Company. The Board agrees to use the same practices as currently exist concerning the hook-up, metering and billing of other customers

served by the Board outside the City of Gloversville, with the exception of the City of Johnstown.

8. The rates to be charged by the Board to customers located within the water improvement area to be established, shall be the same rates as charged to other customers outside the City of Gloversville, with the exception of the City of Johnstown. Annexed hereto and designated Exhibit 5 is the present rate schedule, effective January 1, 1982. It is understood that said rate schedule is subject to change at any time by the Board. Furthermore, all customers in the water improvement area shall be subject to and governed by the rules and regulations of the Board.

9. The Town will establish a Capital Reserve Fund for the water improvement area, which shall be used for the maintenance, repair, up-grading and replacement of all water lines within said water improvement area prior to the transfer of title for said water lines to the City, as well as the reduction of any debt which may be incurred in connection with said water improvement area.

10. Any property owner within the water improvement area to be established may apply to the Board for permission to tap into the existing water system, to use the same for residential purposes. Upon receipt of such application, the Board shall approve the same on such terms and conditions as are normally required of all applicants to purchase water for residential use.

11. It is understood and agreed between the parties hereto that the obligation of the Board to approve new customers within the water improvement area to be established shall be subject to the availability of a sufficient water supply.

12. The parties agree that certain areas of vacant land situate in the Town and adjoining the City of Gloversville have been identified as areas of possible annexation to the City of Gloversville. In the event a petition is filed for the annexation of such land to the City of Gloversville, the Town agrees to consent to such annexation to the extent as may be permitted by Article 17 of the General Municipal Law and such other statutes as may be applicable. Annexed hereto and designated Exhibits 6 through 10, inclusive, are maps which generally set forth the areas of annexation. The land outlined in blue on Exhibit 6 is at present zoned for residential use. In the event of the annexation of said area, and in the event of a proposed zoning change of said area to manufacturing use, the Common Council of the City of Gloversville agrees, by its ratification of this agreement, to confer with the Town prior to any zoning change.

13. The Board represents that the Common Council of the City of Gloversville has authorized the execution of this agreement.

14. The invalidity or unenforceability of any particular provision of this agreement shall not affect the other provisions hereof.

IN WITNESS WHEREOF, the parties have executed this agreement the day and year first above written.

BOARD OF WATER COMMISSIONERS
OF THE CITY OF GLOVERSVILLE

by Frank La Porta

THE TOWN OF JOHNSTOWN

by Raymond A. Johnston

STATE OF NEW YORK
SS:
COUNTY OF FULTON

On this 19TH day of JULY, 1982, before me personally came FRANK LA PORTA, to me known, who, being by me duly sworn, did depose and say that he resides at 3 1/2 SECOND ST. GLOVERSVILLE and is the PRESIDENT of the BOARD OF WATER COMMISSIONERS OF THE CITY OF GLOVERSVILLE, the corporation described in and which executed the within instrument; that he knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said corporation and that he signed his name thereto by like order.

Charles J. Curthoys
Notary Public

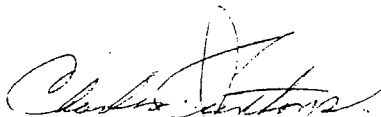
CHARLES J. CURTHOYS
Notary Public, State of New York
Qualified in Fulton County
My Commission Expires March 30, 1983

STATE OF NEW YORK

SS:

COUNTY OF FULTON

On this 19TH day of JULY, 1982, before me personally came RAYMOND G. SMILLEN to me known, who being by me duly sworn, did depose and say that he resides at RD. #1
JOHNSTOWN, N.Y. and is the SUPERVISOR of THE TOWN OF JOHNSTOWN, the corporation described in and which executed the within instrument; that he knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said corporation and that he signed his name thereto by like order.



Notary Public

CHARLES J. CURTHOYS
Notary Public, State of New York
Qualified in Fulton County
My Commission Expires March 10 1983

Councilman Garguilo presented the following resolution and moved its adoption:

RESOLUTION NO. 52

RESOLUTION AUTHORIZING THE BOARD OF WATER COMMISSIONERS OF THE CITY OF GLOVERSVILLE TO EXECUTE AN AGREEMENT WITH THE TOWN OF JOHNSTOWN FOR THE SALE OF WATER.

RESOVED, That the Board of Water Commissioners of the City of Gloversville is hereby authorized to execute the annexed agreement with the Town of Johnstown for the sale of water.

Seconded by Councilman Oare

Ayes: 8

Nayes: 1

Dated: July 12, 1982

Aye Naye			Aye Naye			Aye Naye		
BRENNAN	Y		GARGUILO	Y		LAURIA	Y	
Des JARDINS	Y		HALLENBECK *	Y		McCLARY	Y	
DICRUZZALO	-	N	HAMMOND	Ab--		OARE	Y	
DI. MAIO	Y		KHINE	Y		RUCOTERO	Ab--	

State of New York)
County of Fulton) ss:
City of Gloversville)

I, the undersigned duly appointed and acting City Clerk of the City of Gloversville do hereby certify that the foregoing is a true and correct copy, and the whole thereof, of the original Resolution No. 52 on file in my office, passed by the Common Council of the City of Gloversville at a special meeting of the Common Council held on Monday July 12, 1982 a majority of all the Councilmen in office being present and voting in favor thereof.

In witness whereof, I have this 13th day of July in the year 1982 set my hand and affixed the seal of said City.

Mario S. Balzano
Mario S. Balzano City Clerk

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GLOVERSVILLE WATER WORKS

CITY HALL

GLOVERSVILLE, NEW YORK 12078

(518) 773-7518

Replacement of pipe and apparatus required in the extension of permissive area Number One. This extension is referred to as Queensboro Manor which consists of the following roads and streets.

Foster Road - No replacement of pipe or apparatus is needed.

A. Wesskum Woods Road - 200 feet of 8" ductile iron pipe is needed to connect to the Gloversville system into the pump house.

A total of 1450' of asbestos pipe needs to be replaced up to the point where Richard Arnold's line starts which is 8" cast iron.

B. Penny Lane, 25 feet of 6" cast iron pipe and apparatus is needed to connect to the Gloversville system. No replacement of water main is needed if this line is ductile iron as indicated on the map.

C. Phelps Street, North Main Street and Queensboro Manor intersection will require a section of 10" ductile iron pipe, 175' in length with apparatus and a pressure reducing valve in order to order to connect to the Gloversville system.

D. All of the existing asbestos water pipe in the Queensboro Manor system will be replaced with ductile iron pipe.

Fire hydrants must also be installed at a maximum of 500' apart, with six inch lateral. A cost of \$1,200.00 will cover expense of the hydrant and apparatus.

EXHIBIT 2

"THE CITY WITH ABUNDANT FILTERED WATER"

FILTRATION PLANT: Extension Easterly Street - RESERVOIRS: Blue Port Cameron, Yonkers, Green H. . .

GLOVERSVILLE WATER WORKS

CITY HALL

GLOVERSVILLE, NEW YORK 12078

(518) 773-7518

1. East Fulton Street

Install 10" water line from City line to roadway into City Dump. 3800'.

2. Lake Avenue

Install 6" water line from Fulton Street to end of road. 810'.

3. Cherry Street

Install 6" water line from Fulton Street to end of road. 750'.

4. South Pine Street

Install 6" water line from Fulton Street to end of road. 1000'.

Note: Install 6" water line connecting South Pine Street, Cherry Street and Lake Avenue. This will form a loop avoiding dead ends.

5. North Pine Street

Install 10" water line from East Fulton Street to Fifth Avenue 3,000'.

6. Francis Street

Install 6" water line. 550'.

7. Elmwood Avenue

Install 8" water line from East Fulton Street to Second Avenue. 1900'.

8. Eastland Avenue

Install 6" water line from Oakland Avenue to East Fulton Street. 625'

9. Myrtle Avenue

Install 6" water line from East Fulton Street to end of Myrtle Avenue. 500'.

"THE CITY WITH ABUNDANT FILTERED WATER"

[#]
EXHIBIT 3

FILTRATION PLANT: Extension Easterly Street — RESERVOIRS: Rice, Port, Cameron, Jackson Summit, Ayers Hill

GLOVERSVILLE WATER WORKS

CITY HALL

GLOVERSVILLE, NEW YORK 12078

(518) 773-7518

-2-

10. Oakland Place

Install 6" water line from Oakland Avenue to Eastland Avenue. 625'.

11. East State Street, Ext.

Install 6" water line at intersection tapped off 10" to M.C.A. 625'.

12. West State Street, Ext.

Has 12" water line from City line to end of permissive area. 685'.

Problem is that water services freeze. The water line was never installed properly.

13. West Fulton Street, Ext.

Install 6" water line from City Line to end of permissive area. 635'.

14. First right off Spring Avenue in permissive area. Install 6" water line. 1300'.

15. Hales Mills Road

Install 12" water line from intersection of South Kingsboro Avenue and Hill Street to Hales Mill Road. 2250'.

16. Rose Street

Install 6" water line from City line to end of permissive area. 265'.

"THE CITY WITH ABUNDANT FILTERED WATER"

EXHIBIT

FILTRATION PLANT: Extension Easterly Street — RESERVOIRS: Rice, Port, Cameron, Jackson Summit, Ayers

Appendix A:

1981 Agreement between the Gloversville Board of Water Commissioners (GBWC) and the City of Johnstown by which the GBWC agreed to supply approximately 500,000 gallons per day to the City of Johnstown.

GLOVERSVILLE WATER BOARD - CITY OF JOHNSTOWN

WATER CONTRACT

THIS AGREEMENT made this 22nd day of July 1981, by and between the Board of Water Commissioners of the City of Gloversville, a municipal corporation in the County of Fulton and the State of New York, hereinafter referred to as "Board" and the City of Johnstown, a municipal corporation within the County of Fulton and State of New York, hereinafter referred to as "City" or "Johnstown".

W I T N E S S E T H:

WHEREAS, the City of Johnstown is desirous of purchasing surplus water from the "Board" of the City of Gloversville to supplement Johnstown's own supply and;

WHEREAS, the parties have agreed, pursuant to Article 5-C of the General Municipal Law of the State of New York, to enter into a contract for the sale of Gloversville's Board's surplus water to the City of Johnstown pursuant to the following terms and conditions:

1. That the Board during the period of this agreement will furnish water to the City of Johnstown at the existing pressure in its distribution mains to a proposed level of an average of five million gallons per week, when in the opinion of the Water Board, in its sole discretion, such surplus exists. The actual daily amount delivered, may be decreased or increased, depending on the availability of supply, as determined by the Board, in its sole discretion. The demand by the City of Johnstown may vary but on a three month basis the demand shall average five million gallons a week and the

City of Johnstown will pay the Board at that minimum rate unless determination of the Water Board has ordered the decrease because of unavailability of supply; to the end that City of Johnstown will pay for the minimum of five million gallons a week for a three month average whether it has taken said minimum quantity or not, unless it has been limited or suspended by the Board.

Nothing herein contained shall prevent the parties from agreeing to a quantity in excess of five million gallons per week if such surplus is available and if the City of Johnstown desires the greater quantity.

2. Johnstown will pay monthly for water delivered by said Gloversville Board at the same rate said Gloversville Board charges its customers located within the City of Gloversville plus an additional fifteen percent surcharge at each step in the rate.

The parties agree that if the device metering the flow of water to Johnstown must be by-passed for any reason, or if it is determined that said device is not accurately recording the amount of water going to Johnstown, then for said period of by-pass, or while said meter is malfunctioning, Johnstown will be charged at the average use for the previous three months.

If the monthly bill is not paid within thirty days, Johnstown agrees to pay the same late charge as other customers of the Board and in addition, the Water Board may suspend the delivery and sale of water to Johnstown. Johnstown agrees to pay the monthly bill when due and if Johnstown disputes the bill for any reason, Johnstown will pay the bill, negotiate the matter with the Board, and then

institute legal action in the New York State Supreme Court, if the matter cannot be resolved.

At the end of each three month period, the City of Johnstown will pay to the Board a sum of money equal to the cost of said minimum of five million gallons per week even if said City of Johnstown has not purchased the sixty-five million gallons in said three month period. This payment would be dependent upon the water being offered for sale by the Water Board and not purchased by the City of Johnstown.

3. The City of Johnstown agrees that it will adopt a rate schedule for its customers within the City limits of Johnstown, which is no lower than the rate structure adopted by the Gloversville Water Board for its customers located within the City limits of Gloversville. The Board will notify the City of Johnstown at least 30 days prior to the effective date of any proposed rate change for customers in the City of Gloversville.

4. The term of this agreement shall be twenty years from date thereof.

5. The City of Johnstown agrees to comply with all rules and regulations of the Gloversville Water Board in so far as same may be applicable to it. Specifically, the City of Johnstown agrees that its own proper costs to pay for the purchase of installation of a back flow device, which would prevent any Johnstown water from entering the Gloversville Water System.

6. The City of Johnstown agrees that it will not increase the size of its distribution system located outside the corporate limits of

the City of Johnstown to accommodate new customers, without approval of the Board.

7. The City of Johnstown shall hold the Board of Water Commissioners of the City of Gloversville and the City of Gloversville harmless from claims, suits, damages of all kinds, directly or indirectly, resulting from that part of the water system owned or serviced by the City of Johnstown and the City of Gloversville and its Board of Water Commissioners shall hold the City of Johnstown harmless from claims, suits, damages of all kinds, directly or indirectly, resulting from that part of the water system owned or serviced by the City of Gloversville Water Works.

8. The City of Johnstown acknowledges that pursuant to Section 11.18 of the Charter of the City of Gloversville, that this contract cannot be enforced "When by so doing, the supply for the wants or necessities of said City shall thereby be curtailed." The City of Johnstown acknowledges that this contract covers only the sale of surplus water by the City of Gloversville and when the Gloversville Water Board, in its sole discretion, determines that there is no surplus because of drought, distribution problems, increased demands by customers in Gloversville or for any other reason, that there is no surplus, the Board, in its sole discretion, may limit or suspend this contract. The Gloversville Water Board will endeavor to give the City of Johnstown at least ten days written notice when it intends to limit or suspend the sale of water to Johnstown.

The Gloversville Water Board shall have no liability from any party, including the City of Johnstown, if it fails to give the aforesaid written notice.

9. The parties agree to meet at the end of the eighteenth year of this contract to discuss the question of entering into a new contract when this contract terminates.

10. That in the event that the City of Gloversville Board of Water Commissioners are unable to supply the average minimum of five million gallons a week, due to suspension or limitation provided for herein, for a period exceeding three months, the City of Johnstown shall have the option of terminating this agreement upon 30 days written notice by certified mail, return receipt requested.

~~11. That the City of Gloversville Board of Water Commissioners will not sell water to any other additional entities outside the corporate limits of the City of Gloversville, except existing customers, which would effect the availability of the surplus quantity to meet this contract.~~ gL

12. The City of Gloversville Board of Water Commissioners will not directly sell water to any entity within the City of Johnstown without the approval of the City of Johnstown.

13. This contract shall go into effect immediately upon the date of approval by the Gloversville Common Council.

GLOVERSVILLE WATER BOARD.

BY Frank La Porta

CITY OF JOHNSTOWN, NEW YORK

BY Anthony J. Greco

STATE OF NEW YORK :
COUNTY OF FULTON : SS.:

On this 22 day of July Nineteen Hundred and Eighty-One
before me, personally came FRANK LA PORTA to me known
who, being by me duly sworn, did depose and say that he resides in
The City of Gloversville, NY and is the PRESIDENT of
the Gloversville Water Board, the corporation described in, and which
executed the within Instrument; that he knows the seal of said
corporation; that the seal affixed to said Instrument is such cor-
porate seal; that it was so affixed by order of the Board of
Directors of said corporation; and that he signed name
thereto by like order.

CHARLES J. CURTHOYS
Notary Public, State of New York
Qualified in Fulton County
My Commission Expires March 30, 1983

STATE OF NEW YORK :
COUNTY OF FULTON : SS.:

On this 22nd day of July Nineteen Hundred and Eighty-One
before me, personally came ANTHONY J. GRECCO to me known
who, being by me duly sworn, did depose and say that he resides in
the City of Johnstown, New York and is the MAYOR of
the City of Johnstown, the corporation described in, and which
executed the within Instrument, that he knows the seal of said
corporation; that the seal affixed to said Instrument is such cor-
porate seal; that it was so affixed by order of the Common Council
and that he signed his name
thereto by like order.

Notary Public in the State of New York
Fulton County
My commission expires March 30 1983

7/22/81

RESOLUTION NO. 89, 1981

Alderman Talarico presented the following Resolution and moved its adoption:

RESOLVED that the Mayor be and he hereby is authorized and directed to execute the annexed Contract with the Gloversville Water Board providing for the purchase of water from the Gloversville Water Board for a period of 20 years, at a rate with a 15% surcharge over charges to Gloversville customers, at a minimum quantity of 5 million gallons a week of Gloversville's surplus water, if available, subject to approval of Gloversville Common Council within seven days.

Seconded by Alderman Osusky.

Adopted by the following vote:

Ayes: 5

Noes: 0

(carried)

RESOLUTION NO. <u>89</u> 19 <u>81</u>
RESOLUTION
<u>20 yr. water contract</u>
<u>with Gloversville</u>
Adopted by the COMMON COUNCIL City of Johnstown, N.Y.
JUL 22 1981
<u>Talarico</u> City Clerk
I hereby approve of this within resolution
this <u>JUL 22 1981</u>
<u>Anthony J. ...</u> Mayor

Appendix A:

2003 Agreement between the Village of Broadalbin and the Town of Mayfield for permission to own and maintain water infrastructure within the Town.

WATER LINE AGREEMENT

THIS AGREEMENT made the 20th day of August, 2003, between and among the TOWN OF MAYFIELD, a duly constituted municipality in the County of Fulton, New York, having its office at 75 North Main Street, Mayfield, NY 12117, hereinafter referred to as the "Town", the VILLAGE OF BROADALBIN, a duly constituted municipality in the County of Fulton, New York, having its office at 16 West Main Street, Broadalbin, NY 12025, and the VILLAGE OF MAYFIELD, a duly constituted municipality in the County of Fulton, New York, having its office at 13 North School Street, Mayfield, NY 12117, both hereinafter referred to as the "Villages",

W I T N E S S E T H

WHEREAS the Villages each have water lines on properties which belong to the Town, and

WHEREAS the Villages are desirous of having the Town ratify the existence of such water lines, and

WHEREAS the Town is desirous of setting forth in writing the responsibilities of the Villages in regard to such water lines,

NOW, THEREFORE, in consideration of the promises and agreements herein contained, the Town and the Villages do hereby mutually agree as follows:

1. The Town hereby acknowledges the existence on the Town's properties of water lines which belong to each Village respectively, and does hereby ratify such existence retroactive to the various dates of their respective installations, whether or not permission for the placement of such water lines on the Town's properties was previously obtained by either or both Villages.

2. The Villages respectively agree that they shall each be solely liable and responsible for any and all maintenance or repairs on, or the replacement, of their respective water lines, and that the Town shall neither bear nor have any responsi-

bility whatsoever for any maintenance, repairs or replacement of such water lines.

3. The Villages respectively agree that, in the event that any damage or other harm should be done to the property or properties of the Town in connection with any maintenance, repairs or replacement of the water lines belonging to the respective Villages, the Villages shall be solely liable and responsible for the repair of any such damage or other harm, and shall restore the Town's property to the same, or reasonably same, condition which existed prior to the occurrence of any such damage or other harm.

4. Each Village, whenever required, and without charge, may enter upon Town property in order to maintain, repair, or replace such water lines.

5. The Villages respectively agree that they shall each indemnify and hold the Town harmless from any and all suits or claims for loss or damage on account of personal injury, including death, property damage or any other loss of any nature whatsoever arising out of the existence of, or maintenance, repair or replacement of each Village's water lines located on, over or under any property belonging to the Town, and shall meaningfully assist the Town in the defense of any such suit or claim which may be brought or made against the Town on account of any such loss.

6. Nothing herein contained shall be construed so as to mean or imply that the Town is in any way affiliated or entering into a relationship with either or both Villages which is a joint venture, partnership or other such relationship as regards the existence of each Village's water lines on properties belonging to the Town.

7. This agreement shall remain in effect for as long as either Village has water lines on Town property that need to be maintained, repaired, or replaced.

IN WITNESS WHEREOF, the Town and each Village have caused this Agreement

to be duly executed by their respective authorized officer and their respective seal to be hereunto affixed on the date and year first above written.

ATTEST:

TOWN OF MAYFIELD

Dorothy Hart
Town Clerk

by: Carol Hart
Its Supervisor

ATTEST:

VILLAGE OF BROADALBIN

Shirley P. Bleyle
Village Clerk

by: Edward L. Shulgin
Its Mayor

ATTEST:

VILLAGE OF MAYFIELD

Village Clerk

by: _____
Its Mayor

Appendix A:

2008 Agreement (amended 5/19/2009 and 9/10/20012) between the Village of Broadalbin and the Town of Broadalbin by which the Village of Broadalbin provides water to a limited area within the Town of Broadalbin.

Addendum to Contract

TOWN:

TOWN OF BROADALBIN
A MUNICIPAL CORPORATION
201 UNION MILLS RD.
BROADALBIN, NY 12025

VILLAGE:

VILLAGE OF BROADALBIN
A MUNICIPAL CORPORATION
16 WEST MAIN ST
BROADALBIN, NY 12025

DATE: **September 10, 2012**

The Town and the Village hereby agreed to modify their Water System Inter-municipal agreement (the "agreement"), dated March 5, 2008 and amended May 19, 2009 as follows;

- 1. The following provision shall be added as Section 9 to article II of the agreement: The initial and annual inspections/testing shall be conducted as required by New York State Department of Health (NYS DOH) in accordance with Town of Broadalbin Local Law 2012-1. If provided a report detailing the results of these inspections/testing shall be forwarded to NYS DOH and the Village.*
- 2. **CONFLICT:** The terms of this addendum shall control in any conflict with the original terms of the agreement.*
- 3. **ORIGINAL TERMS:** Unless modified by this addendum, the terms of the original agreement and the addendum dated May 19, 2009, shall remain in full force and effect.*
- 4. **SUCCESSORS:** This addendum shall be binding upon the successors and the assigns of the parties.*
- 5. **In Witness of their Agreement** to this addendum, Town and Village have signed their names as of the addendum date listed above.*
- 6. The Town agrees that prior to amending Section 3 of Local Law No. 1 of 2012, the Town Board shall obtain written consent to the proposed amendments from the Board of Trustees of the Village of Broadalbin, which consent shall not be unreasonably withheld.*

TOWN OF BROADALBIN


Joseph C. DiGiacomo, Supervisor

VILLAGE OF BROADALBIN


Eugene R. Christopher, Mayor

LOCAL LAW NO. 1 OF 2012

A LOCAL LAW REGULATING CROSS CONNECTION CONTROLS

TOWN OF BROADALBIN, COUNTY OF FULTON
STATE OF NEW YORK

Be it enacted by the Town Board of the Town of Broadalbin (the "Town"), as follows:

SECTION 1.

LEGISLATIVE INTENT

The purpose of this Local Law is to safeguard potable water supplies from potential contamination by preventing backflow from a water user's system into the public water system. It is the intent of this Local Law to recognize that there are varying degrees of hazard and to apply the principal that the degrees of protection should be commensurate with the degrees of hazard. Further, it is the intent of the Town of Broadalbin, New York, to comply with the requirements of New York State Sanitary Code, Part 5, Section 5- 1.31, which section mandates that the supplier of water protect their water system in accordance with procedures acceptable to the Commissioner of Health. These mandated requirements are set forth in the Cross Connection Control Manual published by the New York State Department of Health (NYSDOH), and to that extent, the terms, conditions and provisions of the New York State Sanitary Code, Part 5, Section 5-1.31, and the cross Connection Control Manual are incorporated in this Local Law by reference as if more fully stated.

SECTION 2.

DEFINITIONS

1. Air Gap Separation – The term "air gap separation" means a physical break between a supply pipe and a receiving vessel. The air gap shall be at least double the diameter of the supply pipe, measured vertically above the top rim of the vessel, in no case less than one inch.
2. Approved – The term "approved" means accepted by the Town as meeting an acceptable specification stated or cited in this law, or as suitable for the proposed use. "Approved" Devices means the device shall meet NYS Department of Health standards as a complete assembly and must be installed so that the device is readily accessible for maintenance and testing, where applicable, and in a location where no part of the valve will be submerged.
3. Approved Water Supply – The term "approved water supply" means any water supply approved by the New York State Department of Health.
4. Auxiliary Supply – The term "auxiliary supply" means any water supply on or available to the premises other than the approved public water supply.

5. Certified Backflow Prevention Device Tester – The term “certified backflow prevention device tester” is an individual who has successfully completed a New York State Department of Health approved course in the testing of back flow prevention devices and has been issued a certificate of course completion by the training provider.

6. Cross Connections – The term “cross connection” as used in this Local Law means any unprotected connection between any part of a water system used or intended to be used as a supply of water for drinking purposes to a source or systems containing water or substance that is not or cannot be approved as equally safe, wholesome and potable for human consumption.

7. Double Check Valve Assembly – The term “double check valve assembly” means two single, independently acting check valves, including tightly closing shut off valves located at each end of the assembly and suitable test connections.

8. Dual Check Valve – The term “dual check valve” means a mechanical backflow preventer consisting of two independently acting spring-loaded check valves, contained in a single device.

9. Reduced Pressure Zone Device – The term “reduced pressure zone device” means a minimum of two independently acting check valves together with automatically operated pressure differential relief valve located between the two check valves. In case of leakage of either check valve, the differential relief valve, by discharging to the atmosphere, shall operate to maintain the pressure between the checks at less than the supply pressure. The unit must include tightly closing shut off valves located at each end of the device, and each device shall be fitted with properly located test cocks.

10. Water User – The term “water user” means any person who has legal title to, or license to operate or habitat in, a property upon which a cross connection may be made.

SECTION 3.

REGULATIONS

A. Where Protection is Required – The water system shall be required to maintain a degree of protection commensurate with the degree of hazard regardless of whether the hazard is immediate or potential. To that extent, the Cross Connection Control Manual published by NYSDOH shall be used as a guide to determine where protection is required. It shall be the responsibility of the water user to provide and maintain such required protective devices and such devices shall be of a type acceptable to the New York State Department of Health.

B. Type of Protection – The protective device required shall depend on the degree of hazard as described below:

1. At the service connection to any premises on which a substance that would be objectionable (but not necessarily hazardous to health if introduced into the public water supply)

is handled so as to constitute a cross connection, the public water supply shall be protected by an approved dual check valve.

2. At the service connection to any premises utilizing more than five thousand (5,000) gallons of water per day, where there is an auxiliary water supply handled in a separate piping system with no known cross connection, the public water supply shall be protected by an approved reduced pressure zone device. All other premises, where there is an auxiliary water supply handled in a separate piping system with no known cross connection, the public water supply shall be protected by a double check valve assembly at the service connection.

3. At the service connection to any premises on which a substance of unusual toxic concentration or danger to health is or may be handled, but not under pressure, the public water supply shall be protected by an air gap separation or an approved reduced pressure zone backflow prevention device. If an air gap is installed, it shall be located as close as practical to the water meter, and all piping between the water meter and receiving tanks shall be entirely visible. A reduced pressure zone device, when installed, shall be located as close as possible to the property line.

4. At the service connection to any premises on which any material dangerous to health, or toxic substance and toxic concentration, is or may be handled under pressure, the public water supply shall be protected by an air gap separation. The air gap shall be located as close as practical to the water meter, and any piping between the water meter and receiving tanks shall be entirely visible. If these conditions cannot reasonably be met, the public water supply shall be protected with an approved reduced pressure zone backflow prevention device, and it shall be located as close as possible to the property line.

5. At the service connection to any sewage treatment plant or sewage pumping station, the public water supply shall be protected by an air gap separation. The air gap shall be located as close as practicable to the water meter and all piping between the water meter and receiving tanks shall be entirely visible. If these conditions cannot be reasonably met, the public water supply shall be protected by an approved reduced pressure zone backflow prevention device and it shall be located as close as possible to the property line.

C. New Installations – the water user shall provide plans for all proposed protective devices and permit onsite evaluation in order to determine the type of backflow preventer, if any that will be required. All connections, plans, and devices shall meet the approval of the Town and/or the NYS Department of Health.

D. Modifications – in the event the water user creates a potential cross connection to the public water supply an approved double check valve assembly or other backflow prevention device, depending on the potential risk of contamination, shall be installed at the water user's expense. The backflow prevention device shall be subject to annual inspections in accordance with this Local Law. Where the potential cross connection is the result of a modification or reconnection of a residential well, an approved double check valve assembly shall be presumed acceptable.

→ E. Frequency of Inspection of Preventive Devices – It shall be the duty and at the sole cost and expense of the water user on any premises where a double check valve assembly or reduced pressure zone device or any other backflow prevention device is installed, to have competent inspections made at least once a year, or more often in instances where successive inspections indicate repeated failure. New installations shall be inspected by the Town with the costs of the inspections billed to the water user as part of their regular bill. Devices shall be repaired, overhauled or replaced at the expense of the water user whenever they are found to be defective. These tests shall be performed by a certified backflow prevention device tester and all test results will be provided to the water user within 72 hours after the test is made. All records of such tests, repairs and overhaul shall be submitted to the Town Clerk's Office and be kept and made available upon request.

F. Right of Entry - The water department, NYS Health Officer, or duly authorized representative shall have the power to enter upon and examine any premises as may be necessary to assure compliance with this chapter and the laws, ordinances, regulations and orders enumerated herein. Said access shall occur during regular business hours after providing written notice to the water user except in the case where an emergency discontinuance may be necessary.

SECTION 4.

PENALTIES AND RECOURSE FOR NON-COMPLIANCE

A. No water service connection to any premises shall be installed, modified or maintained by the water user unless the approved water supply is protected as required by this Local Law, and such other applicable local, state and federal laws, rules and regulations.

B. If any facility served by an approved water system denies a water department person access to their premises for the purposes of determining if protection of the public water system is necessary or in place, then the maximum protection condition shall be imposed with the requirement that the number of devices shall equal the number of service lines.

C. The following penalties shall be applicable for a violation of this Local Law:

1. Failure to install the appropriate backflow prevention device within a prescribed timeframe after first notice: \$250.00

2. Failure to install the appropriate backflow prevention device within prescribed timeframes after second notice: Termination of service

3. Failure to test or inspect the backflow prevention device: \$300.00 and/or termination of water service

4. Failure to replace or repair a backflow prevention device as required: \$1,000.00 and/or termination of water service

D. Emergency Discontinuance.

1. Delivery of water shall be discontinued immediately and without notice to the water user if the Town and/or NYS Department of Health suspects or determines that:

- a. The water supply is being contaminated or is in immediate danger of contamination;
- b. The backflow prevention device required by this Local Law has not been installed or is defective or has been removed or bypassed; and
- c. The water user can not be immediately located.

2. Delivery of water shall not be resumed until the backflow prevention device required by this Local Law has been properly installed or conditions at the water user's premises causing the contamination danger or contamination have been abated or corrected to the satisfaction of the Town and/or NYS Department of Health.

SECTION 5.

EFFECTIVE DATE

This Local Law shall take effect upon filing with the New York State Department of State.

Appendix A:

2013 Agreement between the Village of Broadalbin and John M. McDonald Engineering, P.C., by which McDonald Engineering provides services related to the operation of the Village Wastewater Treatment Facility.

CONTRACT AGREEMENT

Project No. 18-9903

This is an Agreement made as of 5-26-, 2013, between the Village of Broadalbin, which is a Municipal Corporation, and John M. McDonald Engineering, P.C., which is a Professional Corporation registered in New York State, and which is authorized to do business within the State of New York.

McDonald Engineering will provide the following services:

- A certified WWTP operator seven days per week as per NYSDEC requirements. This will include routine treatment plant equipment maintenance (i.e. maintaining pumps, etc.), completion of all reports, and sample testing as per NYSDEC requirements. The Village will pay direct costs of lab testing, maintenance supplies, and repair services, if necessary.
- Provide technical assistance for treatment plant operations on any day-to-day issues.
- Coordinate with DPW staff on any work that involves DPW and the plant operation (i.e. cleaning beds).

The Village of Broadalbin and John M. McDonald Engineering, P.C., for the mutual consideration hereinafter set forth, agree as follows:

The Village of Broadalbin agrees to pay John M. McDonald Engineering, P.C. a lump sum weekly amount of \$961.73, invoiced monthly. This proposal will take effect beginning May 26, 2013 and will continue through May 24, 2014. Through mutual consent of both parties, this agreement can be extended for six-month periods after May 24, 2014 as mutually agreed to by both parties for up to one year.

In the event a price adjustment is needed, due to changes in mandated staffing requirements, John M. McDonald Engineering, P.C. will notify the Village in advance and request said adjustment for Village consideration. The Village will notify John M. McDonald Engineering, P.C. during Village budget preparation so that a request for an adjustment in the subsequent fiscal year can be considered.

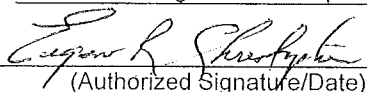
The obligation to provide further services under this Agreement may be terminated by either party upon seven (7) days written notice in the event of substantial failure by the other party to perform in accordance with the terms hereof through no fault of the terminating party. In the event of any termination, John M. McDonald Engineering, P.C. shall be paid for all services rendered to the date of termination, as well as for all reimbursable expenses and termination expenses. For purposes of this section, the failure of the Client to pay John M. McDonald Engineering, P.C. within thirty (30) days of receipt of an invoice shall be considered such a substantial failure. In the event of a substantial failure on the part of the Client, John M. McDonald Engineering, P.C., in addition to the right to terminate set forth in this paragraph, may also elect to suspend work until the default in question has been cured. No delay or omission on the part of John M. McDonald Engineering, P.C. in exercising any right or remedy hereunder shall constitute a waiver of any such right or remedy on any future occasion.

The Village and/or John M. McDonald Engineering, P.C. may request a termination of this contract for convenience by advising the other party in writing thirty (30) days in advance of its desire to terminate the contract. Mutual consent of both parties to terminate this contract, for convenience, is required.

AGREED TO:

VILLAGE OF BROADALBIN
(Client's Name)

By: Eugene Christopher

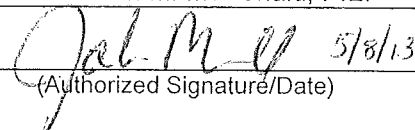

(Authorized Signature/Date)

Title: Mayor

AGREED TO:

JOHN M. McDONALD, ENGINEERING, P.C.

By: John M. McDonald, P.E.


(Authorized Signature/Date)

Title: President

STANDARD TERMS AND CONDITIONS OF AGREEMENT

1. **EXTRA WORK:** Extra work shall include, but not be limited to, additional office or field work caused by policy or procedural changes or governmental agencies, changes in the project, and work necessitated by any of the causes described in Paragraph 5 hereof. All extra work to be authorized by CLIENT in writing prior to commencement by JOHN M. McDONALD ENGINEERING, P.C.
2. **OWNERSHIP OF DOCUMENTS:** All tracings, specifications, computations, survey notes and other original documents as instruments of service are and shall remain the property of JOHN M. McDONALD ENGINEERING, P.C. unless otherwise provided by law. CLIENT shall not use such items on other projects without JOHN M. McDONALD ENGINEERING, P.C.'s prior written consent. JOHN M. McDONALD ENGINEERING, P.C. shall not release CLIENT's data without authorization.
3. **LIMITATIONS OF COST ESTIMATES:** Any estimate of the cost of the project or any part thereof is not to be construed, nor is it intended, as a guarantee of the total cost.
4. **APPROVAL OF WORK:** The work performed by JOHN M. McDONALD ENGINEERING, P.C. shall be deemed approved and accepted by CLIENT as and when invoiced unless CLIENT objects within 30 days of the invoice date by written notice specifically stating the details in which CLIENT believes such work is incomplete or defective.
5. **DELAY:** Any delay, default or termination in or of the performance of any obligation of JOHN M. McDONALD ENGINEERING, P.C. under this agreement caused directly or indirectly by strikes, accidents, acts of God, shortage or unavailability of labor, materials, power or transportation through normal commercial channels, failure of CLIENT or CLIENT's agents to furnish information or to approve or disapprove JOHN M. McDONALD ENGINEERING, P.C.'s work promptly, late, slow or faulty performance by CLIENT, other contractors or governmental agencies, the performance of whose work is precedent to or concurrent with the performance of JOHN M. McDONALD ENGINEERING, P.C.'s work, or any other acts of the CLIENT or any other Federal, State or local government agency, or any other cause beyond JOHN M. McDONALD ENGINEERING, P.C.'s reasonable control, shall not be deemed a breach of this Agreement. The occurrence of any such event shall suspend the obligations of JOHN M. McDONALD ENGINEERING, P.C. as long as performance is delayed or prevented thereby, and the fees due hereunder shall be equitably adjusted.
6. **TERMINATION:** The obligation to provide further services under this Agreement may be terminated by either party upon seven (7) days written notice in the event of substantial failure by the other party to perform in accordance with the terms hereof through no fault of the terminating party. In the event of any termination, JOHN M. McDONALD ENGINEERING, P.C. shall be paid for all services rendered to the date of termination, as well as for all reimbursable expenses and termination expenses. For purposes of this section, the failure of the CLIENT to pay JOHN M. McDONALD ENGINEERING, P.C. within thirty (30) days of receipt of an invoice shall be considered such a substantial failure. In the event of a substantial failure on the part of the CLIENT, JOHN M. McDONALD ENGINEERING, P.C., in addition to the right to terminate set forth in this paragraph, may also elect to suspend work until the default in question has been cured. No delay or omission on the part of JOHN M. McDONALD ENGINEERING, P.C. in exercising any right or remedy hereunder shall constitute a waiver of any such right or remedy on any future occasion.
7. **INDEMNIFICATION:** CLIENT shall indemnify, defend and hold JOHN M. McDONALD ENGINEERING, P.C. harmless for any and all loss, cost, expense, claim, damage or liability of any nature arising from: (a) soil conditions; (b) changes in plans or specifications made by CLIENT or others; (c) use by CLIENT or others of plans, surveys or drawings unsigned by JOHN M. McDONALD ENGINEERING, P.C. or for any purpose other than the specific purpose for which they were designed; (d) job site conditions and performance of work on the project by others; (e) inaccuracy of data or information supplied by CLIENT; and (f) work performed on material or data supplied by others, unless said loss was solely caused by JOHN M. McDONALD ENGINEERING, P.C.'s own negligence.
8. **LITIGATION:** Should litigation be necessary to collect any portion of the amounts payable hereunder, then all costs and expenses of litigation and collection, including without limitation, fees, court costs and attorney's fees (including such costs and fees on appeal), shall be the obligation of the CLIENT.
9. **REPLACEMENT OF SURVEY STAKES:** JOHN M. McDONALD ENGINEERING, P.C., if included in Paragraph A of the Agreement, will provide necessary construction stakes. In instances where it is determined that negligence on the part of the client or others results in the need for restaking, the cost of such restaking will be billed as an extra to the CLIENT on a time basis. It will be the CLIENT's responsibility to provide adequate protection of the stakes against his own negligence or the negligence of those working for or with him and against vandalism by others. If staking is ordered by the CLIENT or others prematurely and construction does not take place, it will also be the CLIENT's responsibility to protect said stakes until such time as construction takes place.
10. **OBSERVATION AND TESTING OF CONSTRUCTION SAFETY:** The observation and testing of construction is not included herein unless specifically agreed upon in the Scope of Services as set forth in Paragraph A of this Agreement. It should be understood that the presence of JOHN M. McDONALD ENGINEERING, P.C.'s field representative will be for the purpose of providing observation and field testing. Under no circumstances is it JOHN M. McDONALD ENGINEERING, P.C.'s intent to directly control or supervise the physical activities of the contractor's work. JOHN M. McDONALD ENGINEERING, P.C. will provide the CLIENT with a continuing source of information based upon the field representative's observations of the contractor's work, but does not include any superintending, supervision, or direction of the actual work of the contractor or the contractor's workmen. The contractor should be informed that neither the presence of JOHN M. McDONALD ENGINEERING, P.C.'s field representative nor observation and testing personnel shall excuse the contractor in any way for defects discovered in his work. It is understood that JOHN M. McDONALD ENGINEERING, P.C. will not be responsible for job or site safety on the project.
11. **RESTRICTIONS ON USE OF REPORTS:** It should be understood that any reports rendered under this Agreement will be prepared in accordance with the agreed Scope of Services and pertain only to the subject project and are prepared for the exclusive use of the CLIENT. Use of the reports and data contained therein for other purposes is at the CLIENT's sole risk and responsibility.
12. **LIMITATIONS OF CONSULTANT'S LIABILITY:** The CLIENT agrees that JOHN M. McDONALD ENGINEERING, P.C.'s liability for damages to the CLIENT for any cause whatsoever in connection with this project, and regardless of the form of action, whether in contract or in tort, including negligence, shall be limited to the greater of Fifty Thousand Dollars (\$50,000.00), or JOHN M. McDONALD ENGINEERING, P.C.'s total fee for services rendered on the project.
13. **CONTROLLING LAWS:** This Agreement is to be governed by the Laws of the State of New York.
14. **INSURANCE:** JOHN M. McDONALD ENGINEERING, P.C. shall procure and maintain throughout the period of this Agreement, at JOHN M. McDONALD ENGINEERING, P.C.'s own cost, insurance for protection from claims under worker's compensation, temporary disability and other similar insurance required by applicable State and Federal laws. Certificates for all such policies of insurance shall be provided to the CLIENT upon written request. JOHN M. McDONALD ENGINEERING, P.C. shall not be responsible for any loss, damage or liability beyond the amounts, limits and conditions of such insurance.
15. **SUCCESSORS AND ASSIGNS:** Neither CLIENT or JOHN M. McDONALD ENGINEERING, P.C. shall assign, sublet, or transfer any rights under or interest in (including, but without limitation, moneys that may become due or moneys that are due) this Agreement without the written consent of the other, except to the extent that any assignment, subletting or transfer is mandated by law or the effect of this limitation may be restricted by law.
16. **ARBITRATION:** All claims, counterclaims, disputes and other matters in question between the parties hereto arising out of or relating to this "Agreement or breach thereof may, at the option of JOHN M. McDONALD ENGINEERING, P.C. be decided by arbitration in accordance with the Construction Industry Arbitration Rules of the American Arbitration Association. Any such arbitration shall take place in the City of Schenectady, Schenectady County, New York.
17. **NOTICES:** All notices called for by this Contract shall be in writing and shall be deemed to have been sufficiently giving or served when presented personally and when deposited in the mail, postage prepaid, certified and return receipt requested, addressed as follows:
JOHN M. McDONALD ENGINEERING, P.C.
7 South Church Street
Schenectady, NY 12305

HISTORY OF WWTP OPERATION CONTRACT WITH MCDONALD ENGINEERING					
8/29/99 - 5/27/00	\$ 600.00	wk	\$31,200.00	yr	
5/28/00-5/26/01	\$ 652.50	wk	\$33,930.00	yr	8.75%
5/27/01 - 5/25/02	\$ 715.50	wk	\$37,206.00	yr	9.66%
5/26/02 - 5/31/03	\$ 726.25	wk	\$37,765.00	yr	1.50%
6/1/03-5/29/04	\$ 751.67	wk	\$39,086.84	yr	3.50%
5/30/04 - 5/28/05	\$ 766.70	wk	\$39,868.40	yr	2.00%
5/29/05-5/27/06	\$ 793.53	wk	\$41,263.56	yr	3.50%
5/28/06 - 5/26/07	\$ 813.36	wk	\$42,294.72	yr	2.50%
5/27/07-5/31/08	\$ 841.88	wk	\$43,777.76	yr	3.51%
6/1/08 - 5/30/09	\$ 875.56	wk	\$45,529.12	yr	4.00%
6/1/09 - 5/30/10	901.83	wk	46,895.16	yr	3.00%
5/30/10 - 5/28/11	901.83	wk	46,895.16	yr	-0.0%
5/29/11 - 5/26/12	919.87	wk	47,833.24	yr	2%
5/27/12 - 5/25/13	942.87	wk	49,029.24	yr	2.5%
5/26/13 - 5/24/14	961.73	wk	50,009.92	yr	2%

46% over initial contract in 1999

X

Keep on top

Appendix A:

1964 Agreement and available amendments between the Cities of Gloversville and Johnstown related to the Gloversville Johnstown Joint Wastewater Treatment Facility.

GLOVERSVILLE - JOHNSTOWN
JOINT SEWER CONTRACT

This Agreement dated this 22nd day of May, 1964.

BETWEEN THE CITY OF GLOVERSVILLE, a municipal corporation of the County of Fulton and State of New York, and

THE CITY OF JOHNSTOWN, a municipal corporation of the County of Fulton and State of New York.

WITNESSETH:

Introduction

WHEREAS the respective existing sewage disposal and treatment facilities of the above mentioned municipalities are inadequate, and

WHEREAS the respective municipalities have both been ordered by the State of New York to construct sewage treatment and disposal facilities, and

WHEREAS the respective legislative bodies of said municipalities have determined it to be to the best interests of their respective municipalities to construct and operate a joint sewage treatment and disposal plant, and

WHEREAS the above mentioned municipal corporations respectively and severally desire to provide for the construction, maintenance and operation of a joint sewage treatment and disposal plant:

NOW THEREFORE in consideration of the premises and the mutual covenants and agreements herein contained and pursuant to Article 5-G of the General Municipal Law, it is hereby agreed by and between the Parties as follows:

Section 1. Scope.

The parties hereto agree to jointly construct a sewage disposal plant to meet the needs of both municipalities and to provide for the operation and maintenance thereof, of the type specified and under the terms and conditions hereinafter set forth.

That the Sewage treatment plant will be located on premises formerly in the Town of Johnstown, County of Fulton and State of

New York, now by virtue of annexation situate in the City of Johnstown, County of Fulton and State of New York as described in Schedule A hereto annexed and made a part hereof as if set forth in full.

That the Trunk Line to be owned by the parties hereto is briefly described as commencing at the present Gloversville Sewage Plant, Harrison Street, City of Gloversville, N. Y. and running therefrom generally southerly along Fonda, Johnstown and Gloversville right of way to the sewer main recently constructed by the City of Johnstown which is to be a part of said trunk line and following said sewer main that varies in width from 24 to 36 inches as it is now laid out and constructed along the Fonda, Johnstown and Gloversville right of way to its present terminus at West State Street, Johnstown, N. Y., and continuing on in a southerly direction generally along the Cayadutta Creek to the above mentioned sewage treatment plant site and the actual plant to be constructed.

Section 2. Duration.

The term of this contract shall be for a period of forty years from the date of this agreement (the maximum period now permitted by law) unless otherwise modified and amended as hereinafter provided, to be renewable by the parties upon such terms and conditions as they may agree upon.

This contract, with all amendments then in effect shall be automatically renewed upon the same terms and conditions as contained herein, until a renewal contract is entered into by the parties, unless at least five years prior to the end of its term one of the parties notifies the other of its intention to terminate at the end of the term.

In the event that the election to terminate is exercised as above provided the assets of the joint operation shall be disposed of by agreement of the parties hereto upon agreed or appraised valuation on the basis of ownership interests as herein provided.

Section 3. Title to Property.

Title to all real property and improvements thereon, including Sewage treatment plant site location and the rights of way for trunk

lines shall vest in the parties hereto as tenants in common in the following proportions, viz:

The City of Gloversville, an undivided fifty-five one hundredths (55/100) interest.

The City of Johnstown, an undivided forty-five one hundredths (45/100) interest.

Section 4. Rights of Way and Tax Exemption.

It is specifically agreed that during the duration of this contract that the real property and improvements, including any trunk line or lines, located within either participating municipality shall be entirely exempt from real property taxation by said municipality and each municipality agrees to said exemption, and each municipality will adopt a Tax Exemption Resolution provided under Section 406 of the Real Property Tax Law.

Each participating municipality agrees to grant all necessary rights of way over and across all of its streets and public ways without any charge or other expense, together with all necessary rights of ways, over and across property owned by it or under its possession and control at a cost provided for herein under "Capital Costs and the Adjustment thereof".

Section 5. Type of Treatment Plant and Improvements.

The design, type, specification of the treatment plant, including site development, trunk lines, improvements and other equipment shall be as recommended by the Consulting Engineers and as approved by the respective governing bodies of the two municipalities.

Section 6. Authorization to Proceed.

The parties hereto agree that they will need to hire consulting engineers to provide, among others, the following services:

1. Preliminary Design Plans for the Project and Cost Estimates.
2. Plans, specifications, contract documents and other data required for the project.
3. Preparation of applications for Federal and/or State Grants and Aid.
4. Preparation of application for necessary approvals from local, state or federal authorities.

5. All necessary surveys and descriptions of necessary rights of way.

6. Detailed Construction Plans.

The parties hereto agree that said consulting engineers will receive such compensation as agreed upon between the consulting engineers and the parties hereto, provided, however, that such compensation shall not exceed rates of the American Society of Civil Engineers.

The parties hereby jointly designate Morrell Vrooman Engineers, 21 North Main Street, Gloversville, N. Y. as consulting engineers to provide the services outlined in step No. 1 above, Preliminary Design Plans for the Project and Cost Estimates. Upon completion and acceptance by the parties hereto of step No. 1 listed above, the parties hereto shall jointly engage consulting engineers to provide the services enumerated in the next step and/or steps listed above.

The engineering agreement for each of the above listed steps shall be executed by the Mayors of the two respective municipalities for their respective municipality upon approval of said agreement by their respective governing bodies. Said engineering agreement shall contain a timetable for the completion of the various services to be performed.

The fees paid for such consulting engineering services are and shall be a portion of the capital costs herein mentioned.

Section 7. Capital Costs.

It is mutually agreed between the parties that capital costs for the sewage disposal and treatment plant, as hereinafter set forth, shall be allocated, borne and paid by the respective municipalities in the following proportions, viz.

The City of Gloversville fifty-five (55%) per centum thereof and the City of Johnstown forty-five (45%) per centum thereof.

Capital Costs shall include all of the following:

- a) Planning fees and costs.
 - b) Professional Engineering Fees.
 - c) Cost of Right of Way Acquisition from existing Gloversville Sewage Plant to new plant site.
-

- d) Cost of Land Acquisition for plant site.
- e) Cost of Trunk Line from existing Gloversville Sewage Plant to Plant site.
- f) Construction costs of Sewage Plant including site preparation.
- g) Original Plant equipment.
- h) Measuring meters for determining operational cost allocation hereinafter set forth.
- i) Attorney and legal fees, administrative expenses.
- j) Such other expenses ordinarily connected with the construction and establishment of a Sewage Treatment Plant but specifically excluding the respective laterals and internal sewer systems of the two participating municipalities.

That the City of Johnstown shall receive credit adjustment toward its share of capital costs for the land and rights of way already acquired by it, at its appraised value or such value as agreed upon by governing bodies of the participating municipalities. The City of Johnstown shall also receive credit adjustment toward its share of Capital Costs for the cost of so much of the trunk line from the Gloversville City Line to Plant Site as has been already constructed under its own sewer improvement program, on an agreed basis under accepted accounting and engineering principles.

That the City of Gloversville shall receive credit for any equipment or personal property which may be transferred from the Gloversville Sewage Disposal Plant to the new plant at its appraised value or such value as agreed upon by the participating municipalities. The City of Gloversville shall receive credit adjustment towards its share of Capital Cost for land and rights of way from Gloversville Plant to Gloversville City Line which it has or may acquire at its appraised value or such value as agreed upon by the governing bodies of participating municipalities.

Section 8. Gloversville Charter Restriction.

The parties hereto recognize that approval of the residents of the City of Gloversville may be necessary pursuant to the provisions

of section 89 of the Charter of the City of Gloversville of any bond resolution passed by the Gloversville Common Council for this joint project. The City of Gloversville hereby agrees that if such approval is required, and the residents of said City fail to approve at a referendum any needed bond resolution, the City of Gloversville will pay its proportionate share of the planning expenses and professional engineering and legal expenses incurred up to the date of the referendum refusing to approve and rejecting the bond resolution.

Section 9. Financing - Capital Costs.

Each respective participating municipality shall be responsible for financing its respective share of the Capital Costs except that said participating municipalities may jointly or individually apply for Federal or State Grants for a portion of the construction cost, whichever may be most advantageous to said Cities. Each City shall be individually responsible for financing the then remaining balance by separate individual bond issues.

That said respective amounts shall be provided by each respective municipality or such portion thereof as may be needed during construction upon warrants issued therefor by the project fiscal officer hereinafter designated charged with the expenditure of funds for the project under terms of this agreement.

That it is mutually agreed that the City Chamberlain of the City of Gloversville or his successor in office be and he hereby is designated fiscal officer for this project for the parties for the purpose of receiving and paying out funds pursuant to this agreement upon his filing with the City Clerk of the City of Johnstown, in addition to his official bond filed with the City of Gloversville, a bond in the penal sum of \$100,000.00, in favor of the City of Johnstown and City of Gloversville, conditioned upon his faithful performance and discharge of the trust imposed upon him. The said fiscal officer shall deposit all moneys received from said respective municipalities in separate accounts in the banks or trust companies authorized by law to receive said moneys on behalf of said respective municipalities

that have agreed to purchase the capital notes and bond anticipation notes for this project, and that no expenditures shall be made from said special account or accounts except by audit according to normal auditing and payment procedures of the participating municipalities and in accordance with provisions of Section 119-0 of the General Municipal Law of the State of New York.

Section 10. Operating Expenses.

Operating Expenses of the Joint Sewage Treatment and Disposal Plant shall be all expenses necessary to the proper operation and maintenance of the treatment plant, including (1) Personal Services salaries, wages and fees, together with fringe benefits and any employment taxes (2) necessary supplies and materials (3) Equipment with less than a 5 year probable usefulness as defined in Section 11.00 of Local Finance Law (4) other expenses.

That the operating expenses for the operation of said joint sewage disposal plant shall be allocated on the following basis:

For the first 3 years of operation the expenses shall be assessed and allocated against the participating municipalities by the Joint Sewer Board as follows:

Fifty-five (55%) per centum thereof to be paid by the City of Gloversville.

Forty-five (45%) per centum thereof to be paid by the City of Johnstown.

Thereafter the respective assessment shall be determined by the Joint Sewer Board at 3 year intervals by means of measuring and determining the average amount of flow and solids processed by said plant over the previous three years under a formula which correlates these two factors to the operation costs by accepted engineering standards. Such formula shall be ascertained and agreed upon by the respective municipalities prior to 3 year period in which it will be used.

The flow shall be measured by means of meters on the trunk line from the Gloversville-Johnstown City Line to the plant, one

at the Gloversville City Line and the other at the connection with the plant. Readings at the Gloversville Line meter being the flow from the City of Gloversville, and the difference between this reading and the reading at the plant connection being the flow from the City of Johnstown.

That measurement of solid content shall be determined by accepted engineering standards. The aforesaid formula and means of measuring solid content shall be as agreed upon by the governing bodies of the participating municipalities.

The Sewer Board shall fix and collect operating charges by means of adopting annually a prospective budget and assessing each individual participating municipality on the ratio as hereinabove provided and under the formula thereafter promulgated.

The responsibility to meet such respective assessments by means of sewer rents, taxation or otherwise shall be the respective responsibility of each respective municipality and as their respective governing bodies shall determine. That nothing herein shall prevent the respective participating municipalities from raising, in addition to said operating assessment, such amounts in addition thereto sufficient to amortize their respective capital costs.

That assessments as set or assessed by the Sewer Board shall be upon Warrant of the Operating Fiscal Officer to be filed by him with the respective Clerks of the participating municipalities on or before January 1, of each year, and payable in twelve equal monthly installments during said year due on the first day of each month during each year.

In event a participating municipality shall fail to pay its respective assessment for operating costs, as set by the Joint Sewer Board, or any installment thereof when due, the other municipality shall have the right to compel payment of same under provisions of law.

The annual budgets of the Joint Sewer Board shall include an item for contingencies. If during any year it shall appear that the assessment shall be insufficient to defray the operating costs

during said year the Joint Sewer Board is authorized to set and determine a deficiency budget and assessment which shall be paid in the same manner as the yearly assessment.

Section 11. Operating Fiscal Officer.

It is mutually agreed that the City Chamberlain of the City of Gloversville or his successor in office shall be designated as the Operating Fiscal Officer of the Sewer Board for the first three years of operation, and the City Chamberlain of the City of Johnstown, or his successor in office, shall be designated as the Operating Fiscal Officer of the Sewer Board for the following three years and the offices thereafter staggered for three year intervals. That said operating Fiscal Officers, shall in addition to their respective official bonds, file during their term of office as fiscal officer, a bond in such penal sum as may be determined by the Sewer Board, running in favor of both participating municipalities conditioned upon his faithful performance of the trust imposed upon him. Said Operating Fiscal Officer shall be at all times deemed an employee of the municipality by which he is ordinarily employed.

The Operating Fiscal Officer of the Sewer Board shall deposit all money received by him for the Sewer Board in a Special Account in a bank or trust company as designated as an official depository of the Sewer Board. No expenditures may be made by said Operating Fiscal Officer and Fiscal Officer of the Sewer Board except upon audit and direction by the Sewer Board in accordance with provisions of Section 119-0 of the General Municipal Law.

Section 12. Arbitration.

All claims, demands, disputes, differences, controversies and misunderstandings arising under, out of, and in connection with, or in relation to, this contract shall be submitted to, and shall be determined by, the resident Supreme Court Justice of Fulton County, or if there be no resident Supreme Court Justice of Fulton County, to any Justice of the Supreme Court of the Fourth Judicial District in the State of New York. The decision of the Justice of the Supreme Court to which the matter is submitted shall be final.

Except as herein provided, arbitration proceedings shall be in conformance with Article 75 of the Civil Practice Law Rules.

Section 13. Outside Users.

The sewage treatment facilities provided for in this contract shall be limited to the corporate limits of the parties hereto, together with all outside user connections at the date hereof who are using the sewage system of either party hereto, so long as said present outside user connections are permitted or allowed and have permission of the applicable municipality. No extension of the facilities hereby created shall be permitted outside the corporate limits of the parties hereto without the consent of the governing bodies of the parties hereto. Such joint consent of the governing bodies of the parties hereto shall be by a three-fourths vote of the voting strength of the respective governing bodies. If either party hereto shall extend its corporate boundaries by annexation or any other method, such newly acquired land shall be entitled to the use of the facilities provided for herein upon said land becoming a part of one of the parties hereto.

Section 14. Sewer Board.

Operation and Maintenance of the sewage plant and trunk line shall be administered and conducted by the Sewer Board. Said Sewer Board shall consist of five members who shall be appointed for a term of three years. The membership of the Board when constituted shall consist of three members appointed by the common council of Gloversville and two members appointed by the common council of Johnstown. At three year intervals the common council of each party hereto shall appoint two members to the sewer board and the party bearing the largest share of the operational costs over the previous three years shall appoint the fifth member of the board. ~~The~~ The sewer board members shall serve without pay or any other compensation, except that the ordinary and necessary expenses incurred in the performance of their normal duties shall be a proper expense and may be reimbursed.

The board shall elect one of their members to be the chairman thereof. The board shall also appoint and establish the salaries of

a clerk, sanitary engineer and counsel and all employees which it feels are necessary to adequately operate and maintain the sewage system created herein. All moneys received or collected by said sewer board or its employees shall be paid over to the fiscal officer within 10 days after it is received, and his receipt taken thereof. All such money shall be credited to said sewer board, and be paid out only upon the orders of said board.

The board shall be charged with the following duties:

1. To fix and collect the operational cost that will be incurred as hereinbefore provided.
2. To keep all necessary records, to indicate the receipts and disbursements of the board, and to adequately reflect the proceedings of the board.
3. To purchase all necessary supplies and make all contracts that are necessary for the proper operation of the sewer system.
4. To take possession and have custody of all the real and personal property involved in the joint sewer system and to keep the same in good order and repair.
5. Make such rules and regulations for the preservation, protection and care of the sewage system as they may deem advisable, and to duly publish such rules and regulations.
6. On or before February 1st of each year to file with the parties hereto a report of its proceedings for the previous year.
7. Maintain general liability, fire and casualty insurance naming each municipality as additional insured. The limits of coverage shall be as prescribed by the joint and concurrent action of the governing bodies of the parties hereto. *AA*

AA Such other powers and duties as may be delegated and assigned by the concurrent action of the parties hereto.

In all questions to be determined by the board it shall be necessary for not less than four votes to carry same. In the event of a stalemate in which the required four votes can not be obtained, the matter may be submitted to arbitration as provided for herein.

It is understood between the parties hereto that each municipality will provide by separate unilateral action the method by

which it will select and appoint its respective members to the Sewer Board.

Section 15. Powers Retained by Governing Bodies.

The governing bodies to parties hereto shall have and retain the following powers:

1. Acquisition, lease or sale of real estate.
2. Acceptance of gifts, grants and bequests.
3. To make application and receive any Federal or State aid.
4. Such other powers as are not specifically delegated to the Sewer Board.

Section 16. Employees and Officers.

Officers and employees of the joint service or joint sewer project may be designated by agreement of participating municipalities as for specific purposes to be deemed employees of one of the specified participating municipalities, but shall possess the same powers, duties, immunities and privileges they would ordinarily possess if they performed their duties in and for the municipality by which they are employed. All qualified technical personnel presently employed at the Gloversville sewage disposal plant shall be hired or retained at such joint plant.

Section 17. Concurrence of participating municipalities.

Unless otherwise provided herein, whenever the agreement of both participating municipalities is required under this agreement, such agreement shall be required to be approved by a three-fourths vote of the voting strength of the respective governing bodies of said municipalities.

Section 18. Amendments.

This agreement may not be modified or amended except by an instrument in writing, duly executed and acknowledged by the duly authorized representative of each participating municipality upon approval by three-fourths vote of the voting strength of the respective governing bodies of said participating municipalities.

In Witness Whereof the parties hereto have caused this agreement to be executed by their duly authorized officers and sealed with their corporate seals the day and the year first above mentioned.

Attest:

Stanley A. Kingsbury
City Clerk
City of Gloversville

City of Gloversville

By:

Richard H. Hood
Richard H. Hood, Mayor
City of Gloversville, New York

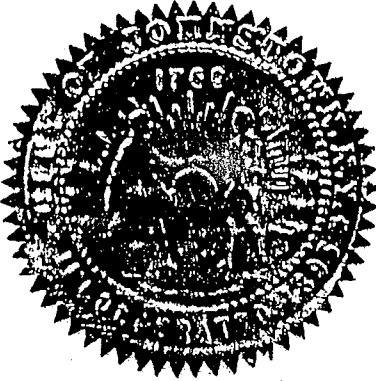
Attest:

Samuel W. Mansfield
City Clerk
City of Johnstown

City of Johnstown

By:

Peter S. Wilson
Peter S. Wilson, Acting Mayor
City of Johnstown, New York



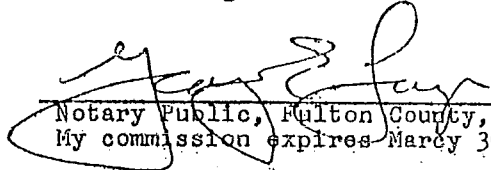
STATE OF NEW YORK)
COUNTY OF FULTON) SS:
CITY OF GLOVERSVILLE)

On this 22nd day of May, Nineteen Hundred and Sixty-Four
before me personally appeared RICHARD H. HOOD, to me personally
known who being by me duly sworn, did depose and say that he
resides in the City of Gloversville, N.Y., that he is the Mayor
of the CITY OF GLOVERSVILLE, the corporation described in and
which executed the foregoing Instrument; that he knows the seal
of said corporation; that the seal affixed to said Instrument is
such corporate seal; that it was so affixed by order of the Common
Council of the City of Gloversville by a three-fourths vote of
the voting strength thereof and that he signed his name thereto
by like order.


Notary Public, Fulton County, N.Y.
My commission expires March 30, 1966

STATE OF NEW YORK)
COUNTY OF FULTON) SS:
CITY OF JOHNSTOWN)

On this 22nd day of May, Nineteen Hundred and Sixty-Four
before me personally appeared PETER S. WILSON, to me personally
known who being by me duly sworn, did depose and say that he
resides in the City of Johnstown, N.Y.; that he is the Acting
Mayor of the CITY OF JOHNSTOWN, the corporation described in
and which executed the foregoing Instrument; that he knows the
seal of said corporation; that the seal affixed to said Instrument
is such corporate seal; that it was so affixed by order of the
Common Council of the City of Johnstown by a three-fourths vote
of the voting strength thereof and that he signed his name thereto
by like order.


Notary Public, Fulton County, N.Y.
My commission expires March 30, 1965

SCHEDULE A

NIAGARA MOHAWK POWER CORPORATION
and FRANCIS E. HARDING LANDS

Beginning at a point in the westerly corporation line of the City of Johnstown three hundred fifty-nine and five tenths feet (359.5') northerly of a concrete monument (J-2) marking an angle point in the existing westerly corporation line of the City of Johnstown, said monument being about two hundred twenty feet (220') northerly of the north line of Madison Avenue in the City of Johnstown, and running from said point of beginning

S 88° 46' W 88.0 feet;

N 84° 42.5' W 160.0 feet;

N 22° 37' E 25.0 feet;

to a point in the centerline of the former Johnstown-Sammons ville Highway (abandoned); thence along the centerline of the said former Johnstown-Sammons ville Highway (abandoned) on the following courses:

S 63° 13' W 113.4 feet;

S 55° 57.5' W 320.0 feet;

S 47° 27.5' W 400.0 feet;

S 42° 00.5' W 1002.0 feet;

S 79° 47' W 835.0 feet;

S 67° 04.5' W 600.0 feet;

S 67° 22.5' W 200.0 feet;

to the lands of one Frasier; thence along the lands of Frasier

S 27° 37.3' E 470.8 feet;

S 53° 24.5' W 292.2 feet;

to a point in Union Avenue; thence along Union Avenue

N 49° 15' W 298.7 feet;

N 48° 33.5' W 309.7 feet;

to the centerline intersection of Union Avenue and the former

Johnstown-Sammons ville Highway (abandoned); thence along the center of the aforesaid Johnstown-Sammons ville Highway (abandoned)

S 68° 07' W	264.7 feet;
S 69° 11' W	295.2 feet;
S 77° 27' W	281.4 feet;
S 74° 49' W	336.0 feet;
S 75° 33' W	514.6 feet;
S 76° 09.5' W	417.4 feet;
S 74° 07.5' W	330.5 feet;
S 69° 11' W	418.2 feet;
S 54° 20.5' W	99.6 feet;
S 43° 46' W	88.5 feet;

thence leaving the highway on the following described courses;

N 50° 59' W	78.5 feet;
N 75° 29' W	35.5 feet;
N 43° 59' W	121.5 feet;
N 68° 29' W	58.0 feet;
S 0° 29' E	45.0 feet;
S 31° 14' E	146.0 feet;
S 50° 45' E	128.2 feet

to a point in the centerline of the aforesaid former Johnstown-Sammons ville Highway (abandoned); thence along the centerline of the former Johnstown-Sammons ville Highway (abandoned)

S 25° 58' W	98.9 feet;
S 10° 06' W	304.5 feet;
S 33° 52' W	625.1 feet;
S 24° 01' W	251.0 feet;
S 41° 16' W	82.0 feet;
S 77° 26' W	160.0 feet;

thence

S 34° 14' E	501.4 feet;
-------------	-------------

crossing Cayadutta Creek; thence

S 34° 14' E	162.0 feet;
N 27° 16' E	317.0 feet;

N 32° 31' E	191.0 feet;
N 18° 16' E	106.0 feet;
N 49° 31' E	77.0 feet;
N 63° 46' E	80.0 feet;
N 46° 06' E	349.0 feet;
N 12° 38' E	236.3 feet;
N 18° 49' E	59.8 feet;
N 09° 23' E	242.0 feet;
N 24° 47' E	144.5 feet;
N 49° 16' E	163.2 feet;
N 74° 31' E	352.0 feet;
N 73° 21' E	706.0 feet;
N 77° 31' E	111.0 feet;
N 81° 56' E	399.0 feet;
S 79° 49' E	536.0 feet;
N 78° 34' E	262.0 feet;
N 69° 01' E	310.0 feet

to the centerline of Union Avenue; thence

N 69° 29' E	916.9 feet;
N 50° 52' E	210.6 feet;
N 11° 37' W	12.1 feet;
N 30° 08' E	145.0 feet;
N 31° 44' E	307.3 feet;
N 83° 12' E	150.9 feet;
N 74° 01' E	18.9 feet;
N 81° 15' E	115.9 feet;
N 85° 44' E	227.2 feet;
N 76° 30' E	112.4 feet;
N 59° 18' E	304.3 feet;
N 73° 52' E	43.7 feet;
N 59° 02' E	177.7 feet;
S 77° 19' E	26.0 feet

to a point in the northerly property line of the Fonda, Johnstown and Gloversville Railroad, said point being north sixty-five degrees forty-seven minutes west ($N 65^{\circ} 47' W$) forty feet (40') from the centerline of the main track of the Fonda, Johnstown and Gloversville Railroad; thence running northeasterly along the northerly property line of the Fonda, Johnstown and Gloversville Railroad to its intersection with the existing westerly corporation line of the City of Johnstown, said point of intersection being one hundred fifteen feet (115'), more or less, northerly of monument J-2 hereinbefore mentioned; thence north two degrees twenty-three minutes twenty seconds east ($N 2^{\circ} 23' 20'' E$) three hundred fifty-nine and five tenths feet (359.5') along the existing westerly corporation line of the City of Johnstown to the point and place of beginning.

1964

THIS AGREEMENT made this 14th day of September/ between the City of Johnstown, a municipal corporation in the County of Fulton, State of New York, hereinafter called Johnstown, and the City of Gloversville, a municipal corporation in the County of Fulton, State of New York, hereinafter called Gloversville.

W I T N E S S E T H :

WHEREAS, Johnstown and Gloversville have agreed to construct, operate and maintain a joint sewage treatment plant to process the sewage of both cities; and

WHEREAS Johnstown and Gloversville desire to obtain in advance from the Housing and Home Finance Agency for Public Works Planning under Public Law 560, 83rd Congress as amended by Public Law 345, 84th Congress to aid in financing the cost of plan preparation for the joint sewage treatment facility; and

WHEREAS the parties hereto are making a joint application to the Housing and Home Finance Agency to receive the planning funds;

NOW, THEREFORE, in consideration of the covenants and agreements herein contained, and for other good and valuable consideration, it is agreed between the parties hereto as follows:

1. That Johnstown agree to assume responsibility for repayment of 45% of the funds provided by the Housing and Home Finance Agency for plan preparation, and Gloversville agree to assume responsibility for the repayment of 55% of the funds provided by the Housing and Home Finance Agency for plan preparation.

2. That Johnstown and Gloversville hereby agree that they will be jointly and severally liable for the repayment of the entire amount of funds advanced for planning and that if either city fails to repay its share of the funds upon demand by the Housing and Home Finance Agency, the other city will save the Housing and Home Finance Agency harmless in regard to

said funds and make the entire repayment of all funds advanced by the Housing and Home Finance Agency.

3. That nothing contained herein shall be construed to effect the individual responsibility of said cities to make repayment of their respective shares to the Housing and Home Finance Agency or to effect the rights between the cities herein, and if one city is required by the Housing and Home Finance Agency to make repayment of the other city's share, the city not making repayment to the Housing and Home Finance Agency shall be liable to the city making repayment to the Housing and Home Finance Agency for the amount of funds repaid to the Housing and Home Finance Agency by said city.

4. Either of the two cities may be designated as "Applicant" for the advance from the Housing and Home Finance Agency for said Public Works Planning and it is agreed that the Mayor of the City of Gloversville will be designated as "authorized representative" on behalf of both municipalities in connection with said Planning Advance.

IN WITNESS WHEREOF the parties hereto have caused their corporate seals to be hereto affixed and these presents to be signed by their duly authorized officers the day and year first above written.

CITY OF JOHNSTOWN,

By [Signature]

CITY OF GLOVERSVILLE,

By [Signature]

STATE OF NEW YORK }
COUNTY OF FULTON } ss.:1

On the 14th day of September, 1964, before me personally came PETER WILSON, to me known, who, being by me duly sworn, did depose and say that he resides in Johnstown, New York; that he is the Acting Mayor of the City of Johnstown, the municipal corporation described in and which executed the above instrument; that he knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Aldermen of said city, and that he signed his name thereto by like order.

George J. [Signature]
Notary Public, Fulton County, N. Y.
My commission expires March 30, 1965.

STATE OF NEW YORK }
COUNTY OF FULTON } ss.:

On the 14th day of September, 1964, before me personally came RICHARD H. HOOD, to me known, who, being by me duly sworn, did depose and say that he resides in Gloverville, New York; that he is the Mayor of the City of Gloverville, the municipal corporation described in and which executed the above instrument; that he knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Aldermen of said city, and that he signed his name thereto by like order.

Stella A. [Signature]
Notary Public, Fulton County, N. Y.
My commission expires March 30, 1965.

GLOVERSVILLE - JOHNSTOWN

AMENDMENT AGREEMENT TO JOINT
SEWER CONTRACT

12/9/74

LAW OFFICES
HAVILAND & FERGUSON
6 FREMONT STREET
GLOVERSVILLE, N. Y. 12078

GLOVERSVILLE & JOHNSTOWN

AMENDMENT AGREEMENT TO JOINT SEWER CONTRACT

THIS AGREEMENT made this 9th day of December 1974,
by and between the City of Gloversville a municipal corporation
in the County of Fulton and State of New York, and the City of
Johnstown a municipal corporation in the County of Fulton and
State of New York,

WITNESSETH:

WHEREAS the parties hereto have heretofore and on May 22,
1964, entered into an agreement pursuant to Article 5-G of the
General Municipal Law to construct, maintain and operate a waste-
water treatment facility to meet the needs of both municipalities;
and

WHEREAS it is deemed advisable at this time for the parties
to enter into an amendment to said agreement,

NOW THEREFORE in consideration of the mutual covenants and
agreements herein contained, and pursuant to Article 5-G of the
General Municipal Law, it is hereby agreed by and between the
parties hereto as an amendment to the agreement between the parties
dated May 22, 1964, and the supplemental agreements thereto dated
September 14, 1964, March 7, 1967 and July 14, 1967, as follows:

1. Section 11 of the contract between the parties dated May 22, 1964, is hereby amended to read as follows:

It is mutually agreed that the City Chamberlain of the City of Gloversville or his successor in office until December 31, 1974, and thereafter the Commissioner of Finance of the City of Gloversville or his successor in office shall be designated as the operating fiscal officer of the Sewer Board. That said operating fiscal officer shall in addition to his respective official bond, file during his term of office as fiscal officer, a bond in such penal sum as may be determined by the Sewer Board, running in favor of both participating municipal bodies conditioned upon his faithful performance of his trust imposed upon him. Said operating fiscal officer shall be at all times deemed an employee of the City of Gloversville.

The Operating Fiscal Officer of the Sewer Board shall deposit all money received by him for the Sewer Board in a Special Account in a bank or trust company as designated as an official depository of the Sewer Board. No expenditures may be made by said Operating Fiscal Officer and Fiscal Officer of the Sewer Board except upon audit and direction by the Sewer Board in accordance with provisions of Section 119-0 of the General Municipal Law.

2. Section 14 of the contract between the parties dated May 22, 1964, is hereby amended to read as follows:

Operation and Maintenance of the sewage plant and truck line shall be administered and conducted by the Sewer Board. Said Sewer Board shall consist of five members who shall be appointed for a term of three years. The membership of the Board when constituted shall consist of three members appointed by the common council of Gloversville and two members appointed by the common council of Johnstown. At three year intervals the common council of each party hereto shall appoint two members to the

Amended
9/12/86

The Sewer Board and the party bearing the largest share of the operational costs over the previous three years shall appoint the fifth member of the board. The Sewer Board members shall serve without pay or any other compensation except that the ordinary and necessary expenses incurred in the performance of their normal duties shall be a proper expense and may be reimbursed.

The board shall elect one of their members to be the chairman thereof. The board shall also appoint and establish the salaries of a clerk, sanitary engineer and counsel and all employees which it feels are necessary to adequately operate and maintain the sewage system created herein. All moneys received or collected by said Sewer Board or its employees shall be paid over to the fiscal officer within 10 days after it is received, and his receipt taken thereof. All such money shall be credited to said Sewer Board, and be paid out only upon the orders of said board.

The board shall be charged with the following duties:

1. To fix and collect the operational cost that will be incurred as hereinbefore provided.
2. To keep all necessary records, to indicate the receipts and disbursements of the board, and to adequately reflect the proceedings of the board.
3. To purchase all necessary supplies and make all contracts that are necessary for the proper operation of the sewer system.
4. To take possession and have custody of all the real and personal property involved in the joint sewer system and to keep the same in good order and repair.
5. Make such rules and regulations for the preservation, protection and care of the sewage system as they may deem advisable, and to duly publish such rules and regulations.

6. On or before October 1 of each year, file a budget of its estimated annual expenses and revenues for the ensuing year; and on or before February 1st of each year file with the parties hereto a report of its proceedings for the previous year.

7. Maintain general liability, fire and casualty insurance naming each municipality as additional insured. The limits of coverage shall be as prescribed by the joint and concurrent action of the governing bodies of the parties hereto.

8. Negotiate with the employees pursuant to the provisions of the Taylor Law.

9. Such other powers and duties as may be delegated and assigned by the concurrent action of the parties hereto.

In all questions to be determined by the Board it shall be necessary for not less than three votes to carry same provided at least one vote from each City shall be necessary to carry same. In the event of a stalemate in which the required three votes cannot be obtained, the matter may be submitted to arbitration as provided for herein.

It is understood between the parties hereto that each municipality will provide by separate unilateral action the method by which it will select and appoint its respective members to the Sewer Board.

IN WITNESS WHEREOF the parties hereto have caused this agreement to be executed by their duly authorized officers and sealed with their corporate seal the day and year first above

mentioned.

Attest:

Mario S. Balzano
City Clerk - City of
Gloversville

Attest:

James M. Campbell

CITY OF GLOVERSVILLE

By Richard H. Hood
Richard H. Hood, Mayor
City of Gloversville, New York

CITY OF JOHNSTOWN

By Peter S. Wilson
Peter S. Wilson, Mayor
City of Johnstown, New York

DOLORES E. VISCONTI

Notary Public in the State of New York,
Fulton County
My commission expires March 30, 19__

My commission expires March 30, 19__

STATE OF NEW YORK :
COUNTY OF FULTON : SS.:
CITY OF GLOVERSVILLE :

On this 9th day of December, Nineteen Hundred and Seventy-four before me personally appeared RICHARD H. HOOD, to me known who being by me duly sworn, did depose and say that he resides in the City of Gloversville, N.Y., that he is the Mayor of the CITY OF GLOVERSVILLE, the corporation described in and which executed the foregoing instrument; that he knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Common Council of the City of Gloversville by a three-fourths vote of the voting strength thereof and that he signed his name thereto by like order.

Dolores E. Visconti
Notary Public - Fulton County - New York
My commission expires March 30, 197

DOLORES E. VISCONTI
Notary Public in the State of New York
Fulton County
My commission expires March 31, 1976

STATE OF NEW YORK
COUNTY OF FULTON
CITY OF JOHNSTOWN

On this 9th day of December, Nineteen Hundred and seventy-four before me personally appeared PETER S. WILSON, to me personally known who being by me duly sworn, did depose and say that he resides in the City of Johnstown, N.Y.; that he is the MAYOR of the CITY OF JOHNSTOWN, the corporation described in and which executed the foregoing Instrument; that he knows the seal of said corporation; that the seal affixed to said Instrument is such corporate seal; that it was so affixed by order of the Common Council of the City of Johnstown by a three-fourths vote of the voting strength thereof and that he signed his name thereto by like order.

Constance L. McNicholas (Keiner)
Notary Public - Fulton County - New York
My commission expires March 30, 1976

CONSTANCE L. McNICHOLAS (KEINER)
Notary Public, State of N. Y.
18-7872360
Resides in Fulton Co.
COMMISSION EXPIRES MARCH 30, 1976

1964

THIS AGREEMENT made this 14th day of September between the City of Johnstown, a municipal corporation in the County of Fulton, State of New York, hereinafter called Johnstown, and the City of Gloversville, a municipal corporation in the County of Fulton, State of New York, hereinafter called Gloversville.

W I T N E S S E T H :

WHEREAS, Johnstown and Gloversville have agreed to construct, operate and maintain a joint sewage treatment plant to process the sewage of both cities; and

WHEREAS Johnstown and Gloversville desire to obtain in advance from the Housing and Home Finance Agency for Public Works Planning under Public Law 560, 83rd Congress as amended by Public Law 345, 84th Congress to aid in financing the cost of plan preparation for the joint sewage treatment facility; and

WHEREAS the parties hereto are making a joint application to the Housing and Home Finance Agency to receive the planning funds;

NOW, THEREFORE, in consideration of the covenants and agreements herein contained, and for other good and valuable consideration, it is agreed between the parties hereto as follows:

1. That Johnstown agree to assume responsibility for repayment of 45% of the funds provided by the Housing and Home Finance Agency for plan preparation, and Gloversville agree to assume responsibility for the repayment of 55% of the funds provided by the Housing and Home Finance Agency for plan preparation.

2. That Johnstown and Gloversville hereby agree that they will be jointly and severally liable for the repayment of the entire amount of funds advanced for planning and that if either city fails to repay its share of the funds upon demand by the Housing and Home Finance Agency, the other city will save the Housing and Home Finance Agency harmless in regard to

said funds and make the entire repayment of all funds advanced by the Housing and Home Finance Agency.

3. That nothing contained herein shall be construed to effect the individual responsibility of said cities to make repayment of their respective shares to the Housing and Home Finance Agency or to effect the rights between the cities herein, and if one city is required by the Housing and Home Finance Agency to make repayment of the other city's share, the city not making repayment to the Housing and Home Finance Agency shall be liable to the city making repayment to the Housing and Home Finance Agency for the amount of funds repaid to the Housing and Home Finance Agency by said city.

4. Either of the two cities may be designated as "Applicant" for the advance from the Housing and Home Finance Agency for said Public Works Planning and it is agreed that the Mayor of the City of Gloversville will be designated as "authorized representative" on behalf of both municipalities in connection with said Planning Advance.

IN WITNESS WHEREOF the parties hereto have caused their corporate seals to be hereto affixed and these presents to be signed by their duly authorized officers the day and year first above written.

CITY OF JOHNSTOWN,

By *[Signature]*
1st Mayor

CITY OF GLOVERSVILLE,

By *[Signature]*
1st Mayor

STATE OF NEW YORK)
COUNTY OF FULTON) ss.:

On the 14th day of September, 1964, before me personally came PETER WILSON, to me known, who, being by me duly sworn, did depose and say that he resides in Johnstown, New York; that he is the Acting Mayor of the City of Johnstown, the municipal corporation described in and which executed the above instrument; that he knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Aldermen of said city, and that he signed his name thereto by like order.

George J. Jan
Notary Public, Fulton County, N. Y.
My commission expires March 30, 1965.

STATE OF NEW YORK)
COUNTY OF FULTON) ss.:

On the 14th day of September, 1964, before me personally came RICHARD H. HOOD, to me known, who, being by me duly sworn, did depose and say that he resides in Gloverville, New York; that he is the Mayor of the City of Gloverville, the municipal corporation described in and which executed the above instrument; that he knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Aldermen of said city, and that he signed his name thereto by like order.

Stephen A. Kingsbury
Notary Public, Fulton County, N. Y.
My commission expires March 30, 1965.

INTERIM AGREEMENT

THIS AGREEMENT made this 5th day of June, 1979 BETWEEN THE CITY OF GLOVERSVILLE, a municipal corporation of the County of Fulton and State of New York, party of the first part, and the CITY OF JOHNSTOWN, a municipal corporation of the County of Fulton and State of New York, party of the second part,

WITNESSETH:

WHEREAS the parties have, pursuant to Article 5-G of the General Municipal Law, heretofore entered into an agreement for the joint construction and operation of a Waste Water Treatment Plant by an Agreement dated May 22, 1964, and certain supplemental agreements thereto, and for several years, last past, have been operating said Joint Waste Water Treatment Plant at Union Avenue Extension, Johnstown, New York, and plan to continue to operate same in the future as a joint operation, and

WHEREAS the parties desire to renegotiate certain provisions of said 1964 Agreement, including, but not exclusively, the cost sharing formula for operational expenses of said joint facility, and

WHEREAS, pending completion of said negotiations and during same, the parties desire to provide for an interim agreement on cost sharing,

NOW THEREFORE, in consideration of the mutual covenants and agreements herein contained, it is hereby AGREED by the parties as follows:

1) That Section 10, "Operating Expenses", of the Joint Sewer Contract of May 22, 1964, notwithstanding, that for the 1979 calendar year of operation, the expenses of operation shall be assessed against the parties by the Joint Waste Water (Joint Sewer)

ward as follows:

Fifty per centum thereof to be paid by the City of Gloversville

Fifty per centum thereof to be paid by City of Johnstown

Retroactive to January 1st, 1979.

2) That the parties request the Superintendent of the Joint Facility to continue to monitor flow and solids received at the Joint Waste Water Treatment Facility from each City for and during the 1979 calendar year, and supply same periodically, and from these figures for said 1979 calendar year make a determination of each City's cost index for the year 1979 for operation of the Joint Waste Water Facility with flow/solid cost ratio on the following basis:

Flow factor shall be 33% of operating costs

Solids factor shall be 67% of operating costs

If data and/or figures on flow and/or solids are incomplete for any period of time during 1979, the parties agree that they will accept interpolation by the Superintendent based upon available data.

All other provisions of the original agreement and any supplemental agreements heretofore executed by the parties that are not inconsistent herewith shall remain in full force and effect and it is specifically agreed between the parties that the aforesaid division of operating costs is applicable for the 1979 calendar year budget payment only.

3) That in the event that Revised Joint Sewer (Joint Waste Water) Contract is not entered into in the meantime, for the year 1980 the division of operating costs between the Cities of Gloversville and

Johnstown shall be on the basis of the cost index for the year 1979 as referred to in paragraph 2 above. This cost index ratio shall be used for the 1980 calendar year budget payment only and all other provisions of the original Joint Sewer Agreement and any supplements not inconsistent shall remain in full force and effect.

4) For the purposes of this interim agreement only; it is understood and agreed by the parties that they will accept the computation of the said Superintendent as the cost index for 1979 actual use by the two Cities.

IN WITNESS WHEREOF, the parties hereto have caused this agreement to be executed by its duly authorized officer and sealed with its corporate seals the day and the year first above mentioned.

CITY OF GLOVERSVILLE

Barbara S. Frederick
City Clerk
City of Gloversville

By Louis Nicoletta
Louis Nicoletta, Mayor
City of Gloversville, N.Y.

CITY OF JOHNSTOWN

[Signature]
City Clerk
City of Johnstown

By Anthony Grecco
Anthony Grecco, Mayor
City of Johnstown, N.Y.

GLOVERSVILLE - JOHNSTOWN
SUPPLEMENTAL AGREEMENT TO JOINT SEWER CONTRACT

THIS AGREEMENT made this 16th day of September, 1985, by and between the City of Gloversville, a municipal corporation in the County of Fulton and State of New York, and the City of Johnstown, a municipal corporation within the County of Fulton and State of New York,

W I T N E S S E T H:

WHEREAS, the parties hereto have heretofore on May 22, 1964, entered into an agreement pursuant to Article 5-G of the General Municipal Law to construct a sewage disposal plant to meet the needs of both municipalities and to provide for the construction and maintenance thereof;

NOW THEREFORE, in consideration of the mutual covenants and agreements herein contained, and pursuant to Article 5-G of the General Municipal Law and as a supplement to the previous contract entered into between the parties hereto dated May 22, 1964, it is hereby agreed by and between the parties hereto as follows:

1. CONFLICTS OF INTEREST PROHIBITED

No board member shall have an interest in any contract with the Joint Sewer Board, or with the municipality by whom he is appointed, when such Board member, individually or as a member of the Board, has the power or duty to (a) negotiate, prepare, authorize or approve the contract or authorize payment thereunder; (b) audit bills or claims under the contract, or (c) appoint an officer or employee who has the powers and duties set forth above. For purposes of this section, "contract" means any claim, account or demand against or agreement with the Joint Sewer Board or the parties, express or implied, and shall include an industrial wastewater discharge permit. "Interest" as used herein means a direct or indirect pecuniary or material benefit accruing to a Board member as a result of

a contract with the Board or with the municipality which appointed such member. A Board member shall be deemed to have an interest in the contract of (a) his spouse, minor children and dependents, except a contract of employment with the Board or with the municipality which appointed such Board member; (b) a firm, partnership or association of which such Board member is a member or employee; (c) a corporation of which such Board member is an officer, director or employer; and (d) a corporation of any stock which is owned or controlled directly or indirectly by such Board member.

2. EQUIVALENT LOCAL LAWS

(a) The parties each agree to enact a local law identical in substance, the one with the other, which local law when enacted will grant the Joint Sewer Board with such additional powers, duties and functions as are deemed by the parties to be necessary and proper for the Board to implement and administer the Industrial Wastewater Pretreatment Program approved for the Joint Sewage Treatment Facility, and to ensure compliance with the requirements of the State Pollutant Discharge Elimination System (SPDES) permit issued for the Joint Sewage Treatment Facility by the New York State Department of Environmental Conservation. This law shall be known as the each city's Sewer Use Law, the substance of which shall be amended from time to time only by the concurrent action of the parties.

(b) The parties agree that in discharging sewage from their respective public sewer system into the Joint Sewage Treatment Facility, they will each comply with all applicable requirements prescribed by the Joint Sewer Board, by the Rules and Regulations of the Board, and by any other local, State or Federal requirements pertaining thereto.

(c) The parties agree that in the event of a breach or threatened breach by either party of any provision of subdivisions (a) or (b) above, then the other party shall be

entitled to an injunction from a court of competent jurisdiction to prevent breach or further breach and to a decree for specific performance.

IN WITNESS WHEREOF, the parties hereto have caused this agreement to be executed by their duly authorized officers and sealed with their corporate seals the day and the year first above mentioned.

Attest:

Mario S. Balzano
City Clerk
City of Gloversville

CITY OF GLOVERSVILLE

By Eugene Reppenhagen
Eugene Reppenhagen, Mayor
City of Gloversville, New York

Attest:

Constance L. Keener
City Clerk
City of Johnstown

CITY OF JOHNSTOWN

By Donald F. Murphy
Donald F. Murphy
City of Johnstown, New York

STATE OF NEW YORK)
) SS.:
COUNTY OF FULTON)

On this 16TH day of SEPTEMBER, Nineteen Hundred and Eighty Five before me personally appeared EUGENE REPPENHAGEN, to me personally known who being by me duly sworn, did depose and say that he resides in the City of Gloversville, New York, that he is the Mayor of the CITY OF GLOVERSVILLE, the corporation described in and which executed the foregoing instrument; that he knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Common Council of the City of Gloversville by a three-fourths vote of the voting strength thereof and that he signed his name thereto by like order.

Charles J. Curthoys
Notary Public

CHARLES J. CURTHOYS
Notary Public, State of New York
Qualified in Fulton County
My Commission Expires March 30, 1987

STATE OF NEW YORK)
) SS.:
COUNTY OF FULTON)

On this 16th day of September, Nineteen Hundred and Eighty Five, before me personally appeared DONALD F. MURPHY, to me personally known who being by me duly sworn, did depose and say that he resides in the City of Johnstown, New York, that he is the Mayor of the CITY OF JOHNSTOWN, the corporation described in and which executed the foregoing instrument; that he knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Common Council of the City of Johnstown by a three-fourths vote of the voting strength thereof and that he signed his name thereto by like order.

Constance L. Keener
Notary Public

GLOVERSVILLE-JOHNSTOWN

AMENDMENT AGREEMENT TO JOINT SEWER CONTRACT

Made this 12th day of September, 1986 between THE CITY OF GLOVERSVILLE, a municipal corporation organized by and under the laws of the State of new York, which maintains its offices at Frontage Road, Gloversville, New York; and THE CITY OF JOHNSTOWN, a municipal corporation organized by and under the laws of the State of New York, which maintains its offices at 33-41 East Main Street, Johnstown, New York.

W I T N E S S E T H:

WHEREAS the parties hereto have heretofore on May 22, 1964 entered into an agreement pursuant to Article 5-G of the General Municipal Law to construct, maintain and operate a Wastewater Treatment Facility to meet the needs of both municipalities; and:

WHEREAS the parties have from time to time entered into amendment agreements and supplemental agreements to the aforesaid Joint Sewer Contract; and:

WHEREAS the parties have during September 1985 adopted a new Sewer Charge System as Article IX of their respective Sewer Use Laws; and:

WHEREAS the parties desire to amend Section 10 of the Joint Sewer Contract of May 22, 1964, entitled "Operating Expenses" in conformance with the new Sewer Charge System; and:

WHEREAS the parties desire to otherwise amend and add to the Joint Sewer Contract as amended to establish a new cost sharing basis for future capital projects, to resolve other disputes

which have arisen between the parties, and otherwise provide for the orderly and efficient operation of the jointly owned Wastewater Treatment Plant.

NOW THEREFORE, in consideration of the premises and the mutual covenants and agreements herein contained, it is hereby AGREED by the parties as follows:

1. That Section 7 entitled "Capital Costs" shall be amended by the addition of the following:

CAPITAL COSTS SUBSEQUENT TO 1/1/86

All Capital Expenses which are incurred or which accrue subsequent to January 1, 1986 including but not limited to the acquisition of equipment to eliminate the Zimpro process and the overall design and implementation of the rehabilitation and upgrading of the Wastewater Treatment Plant as outlined in the Final Report on Wastewater Facilities Plan prepared by the parties' consultants, Stearns & Wheeler, dated April 1986, less any construction grant aid furnished by the Federal or State Government, shall be allocated in the following manner; The City of Gloversville Fifty (50%) per centum thereof and the City of Johnstown Fifty (50%) per centum thereof, which expenses shall be reimbursed to each City through the user fee structure of each Cities' Sewer Use Law (Article IX).

2. That Section 10 entitled "Operating Expenses" be amended by the addition of the following:

OPERATING EXPENSES SUBSEQUENT TO 1/1/86

All Operating expenses which have occurred prior to January 1, 1986 shall be allocated in the manner as set forth in the

agreement of May 22, 1964 as amended and as the parties have heretofore agreed.

Any operating deficits which have accrued in the Joint sewer Account prior to January 1, 1986 have been allocated to the respective party responsible to pay for said deficits in accordance with a certain Memorandum of Agreement executed by the parties on September 12, 1986.

Revenue to pay for operating expenses occurring subsequent to January 1, 1986 shall be collected by the parties based upon the metered and monitored contribution by the sewer users within their respective jurisdictions. This shall be in accordance with the User Charge System set forth in Article IX of their respective Sewer Use Laws, and without regard to the former fixed percentage rates which were allocated to each party.

COLLECTION AND ALLOCATION OF SEWER REVENUE

The Clerk of the Water Board in each City shall continue to bill for and collect all sewer revenue in accordance with Article IX of the parties' Sewer Use Law. The repayment of principal and interest on the long term capital bonds of both Cities shall have the first claim on any sewer revenue collected by either City. The Clerks shall pay over all sewer revenue collected to the Chief Fiscal Officer of each respective City. The Chief Fiscal Officer shall retain an amount equivalent to one twelfth (1/12) of the total annual principal and interest payment due on their respective Cities' eligible long term capital bonds. The centrifuge bonds in the City of Gloversville are ineligible. In the event the funds retained by the Cities Chief Fiscal Officer are insufficient to repay their long term capital bonds, then the

Joint Sewer Board Fiscal Officer shall be required to pay over to the City or Cities experiencing a shortfall, sufficient funds to make said payment of principal and interest. All of the remaining sewer revenue except for the sewer system charge infrastructure said City Fiscal Officer shall pay over to the Joint Sewer Board Fiscal Officer within fifteen (15) days of its collection.

SHORTFALL IN SEWER REVENUE

a) The Joint Sewer Board as part of its rate setting process in April of each year shall review the actual metered and monitored contribution of the sewer users in each City to the sewer system since the last rate setting and shall determine what percentage of the flow and loadings to the sewer system were contributed by the sewer users in each City. This determination shall be reduced to a writing to be called the "Certificate of Allocation" and a copy of said document shall be filed with the Mayor, and Fiscal Officer, in each City within Sixty (60) days of the execution of this agreement and on or before April 30th of each year thereafter.

b) It shall be the duty of the Joint Sewer Board Fiscal Officer to monitor the incoming sewer revenue and the expenses of the Joint Sewer Board. Said Fiscal Officer shall notify the Cities' Fiscal Officers, and Mayors in writing by sending them a "Notice of Deficit" whenever, in his reasonable opinion, the sewer revenue generated by the sewer rates then in effect is inadequate to meet the Joint Sewer Board expenses and a deficit has occurred or is imminent, and same will not likely be otherwise corrected within sixty (60) days.

c) In the event a deficit shall occur after the rate setting date in April and October of each year but before a new rate can be established in the next rate setting date said deficit shall be paid for by allocating the amount of said deficit to the parties in the same percentage as their respective sewer users contributed to the sewer system as set forth in the most recent "Certificate of Allocation" filed with the cities.

d) In order to maintain adequate cash flow for the Joint Sewer Board expenses, each party must remit a cash payment equal to one half of their respective allocated share of said deficit or FIFTEEN THOUSAND and 00/100 (\$15,000.00) DOLLARS which ever is less within THIRTY (30) days of receipt of the "Notice of Deficit" from the Joint Sewer Board Fiscal Officer and the balance of their respective allocated share of said deficit within NINETY (90) days of receipt of said notice.

The parties shall be entitled to a rebate of any deficit they have paid under the foregoing paragraph which has been recovered by the Retroactive Adjustment Provision of Section 905 (B) (i) (a) iii and (b) iii. New sewer rates when set at the next scheduled rate setting date after a deficit has occurred, must be sufficient to recover the cost of any shortfalls paid by the parties during the interim.

3. That Section 11 entitled "Operating Fiscal Officer" be amended as follows: the existing Section 11 of the agreement of May 22, 1964, and the entire agreement of October 17, 1973, and paragraph "1" of the agreement of December 9, 1974 be and the same are hereby deleted and in their place and stead are substituted the following:

FISCAL MATTERS

a) Supervising Officer

i) In General

It is mutually agreed by the parties that the financial affairs of the Joint Sewer Board shall be administered by the "Joint Sewer Board Fiscal Officer" of the City of Johnstown or his successor in office, who shall be designated as the "Supervising Fiscal Officer" for the Joint Sewer Board. The Chief Fiscal Officer of Johnstown shall hold this position until December 31, 1989 . Thereafter, either party may elect to have said position alternate between the parties every three (3) years.

Said Supervising Fiscal Officer shall in addition to their respective official bonds, file during their term of office, a bond in such penal sum as may be determined by the Sewer Board . The Supervising Fiscal Officer shall retain those oversight functions as are required by law.

ii) Compensation

The Salary, benefits and other compensation which shall be paid to the Supervising Fiscal Officer shall be determined by the Joint Sewer Board.

b) Sewer Board Fiscal Clerk

i) In General

It is mutually agreed by the parties that a new position shall be created to be known as "Sewer Board Fiscal Clerk". The person occupying this position shall also be designated as the Deputy Fiscal Officer for the party whose Chief Fiscal Officer occupies the position under paragraph "a" as Supervising Fiscal Officer. The Fiscal Clerk shall be required to maintain his

office at the Wastewater Treatment Plant. The Fiscal Clerk shall be under the general supervision of the Supervising Fiscal Officer and under the direct supervision of the Manager of Wastewater Programs.

ii) Appointment

An applicant for this position shall be nominated by the Joint Sewer Board and shall be appointed by the Common Council of the party whose Chief Fiscal Officer is the Supervising Fiscal Officer. The appointment to this position may be provisional pending the promulgation of a Civil Service list of eligibles, if applicable. Said Fiscal Clerk shall be appointed within Sixty (60) days of the execution of this agreement.

iii) Review of Accounts

The Fiscal Clerk shall meet at least once per month with the Chief Fiscal Officer of the respective Cities to review with them the abstract of claims presented to the Sewer Board for payment, the status of the Joint Sewer Account and other relevant matters. In addition, there shall be an annual accounting of the books and records of Joint Sewer Board prepared by the Fiscal Clerk and submitted to and reviewed with the Chief Fiscal Officer of the parties, within Sixty (60) days of the close of the Joint Sewer Board's Fiscal year.

iv) Deposit of Funds

The Fiscal Clerk shall deposit all money received by him for the Joint Sewer Board in a special account in a bank or trust company as designated as an official depository of the Sewer Board, The records of said account and all other financial records kept by said Fiscal officer shall be available at all

times upon reasonable notice to be inspected by the Fiscal Officers of the parties.

v) Bond

The Fiscal Clerk shall during his term of office be required to post a bond in such penal sum as shall be determined by the Joint sewer Board to be adequate, running in favor of the Joint Sewer Board and both participating municipal bodies conditioned upon his faithful performance of this trust imposed upon him. The cost of said bond to be paid for with Joint Sewer Board funds.

vi) Duties of Fiscal Clerk

The said Fiscal Clerk shall in general terms have authority to oversee all day to day matters concerning receipt of revenue forwarded from the parties' Fiscal Officers and the payment of Joint Sewer Board expenses. The Fiscal Clerk shall confer on a regular basis with the Manager of Wastewater Programs and shall attend the regular meetings of the Joint Sewer Board. Specifically, the Fiscal Officer shall have the authority to: maintain capital project funds and current expenses funds accounts; to sign and issue checks in payment of bills; to process purchase orders and to encumber funds upon issuance of a purchase order; to audit for final approval all bills. Said Fiscal Clerk must submit an abstract all expenses to be paid, for approval by the Joint Sewer Board at its next available meeting; to, upon recommendation of the Manager of Wastewater Projects and approval of the Joint Sewer Board, file applications for operation and maintenance aid with the State of New York and applications for Capital Project Grants with New York State and the Federal Government; prepare payroll records, review, process and make payments for salaries; mail checks to all vendors, file

employment reports for Workers Compensation, New York State Disability and Unemployment Compensation etc; issue W-2 forms; to perform the computation of all industrial sewer bills and to send such computations to the Clerks of the Water Board in each respective City; and in general to perform such duties and tasks as have heretofore been performed by the Gloversville Commissioner of Finance on behalf of the Joint Sewer Board.

vii) Priority of Payment

It shall be the duty of said Fiscal Clerk to accord the repayment of the parties' long term bonds issued for the past and future Capital Projects the highest priority.

viii) Compensation

The Salary benefits and other compensation which shall be paid to the Joint Sewer Board Fiscal Clerk shall be determined by the Joint Sewer Board.

ix) Termination of Fiscal Clerk

In the event that the Joint Sewer Board by Resolution shall determine that the person occupying the position of Fiscal Officer has failed to properly discharge the duties of this office, the Joint Sewer Board may refer the matter to the Common Council of the City whose Chief Fiscal Officer holds the position of Supervising Fiscal Officer for appropriate disciplinary action, including termination if necessary, pursuant to the applicable Sections of that City's Code of Ordinances and the New York State Civil Service Law. In the event that a dispute should arise between the Supervising Fiscal Officer and the Fiscal Clerk the Supervising Fiscal Officer shall be required to submit the matter to the Joint Sewer Board in accordance with this Section.

c) Transition Period

There shall be a transition period which shall run from the date of the appointment of the Sewer Board Fiscal Clerk until December 31, 1986 which the Gloversville Commissioner of Finance shall continue to perform fiscal functions for the Joint Sewer Board and shall be assisted by the Supervising Fiscal Officer and the new Fiscal Clerk. Beginning January 1, 1987 and thereafter, the Supervising Fiscal Officer and Joint Sewer Board Fiscal Clerk shall perform all the duties and functions previously performed by the Gloversville Commissioner of Finance.

4. That Section 14 entitled "Sewer Board" shall be amended as follows: the existing Section 14 shall be deleted and in its place and stead shall be the following:

SEWER BOARD IN GENERAL

Operation and Maintenance of the Wastewater Treatment Facility and trunk line shall be administered and conducted by the Sewer Board. Effective 1/1/87 said Sewer Board shall consist of six (6) members. Initially the Common Council of each City shall appoint three (3) members each to the Board, one member for a term of three (3) years, one member for a term of two (2) years and, one member for a term of one (1) year. Upon the expiration of the original terms set forth above, the terms of each member shall thereafter be for three (3) years each. The Sewer Board members shall serve without pay or any other compensation except that the ordinary and necessary expenses incurred in the performance of their normal duties shall be a proper expense and may be reimbursed.

DUTIES OF SEWER BOARD

The board shall elect one of their members to be the chairman thereof. The board shall also appoint and establish the salaries of Manager of Wastewater Programs, Counsel, the Joint Sewer Board Fiscal Officer, and all employees which it feels are necessary to adequately operate and maintain the sewage system created herein. (All moneys received or collected by said Sewer Board or its employees shall be paid over to the Fiscal Officer within fifteen (15) days after it is received, and his receipt taken thereof. All such money shall be credited to said Sewer Board, and shall be paid out only upon the orders of said board.)

The Board shall be charged with the following duties:

a) To fix and collect the operational cost that will be incurred as hereinbefore provided.

b) To keep all necessary records, to indicate the receipts and disbursements of the board, and to adequately reflect the proceedings of the board.

c) To purchase all necessary supplies and make all contracts that are necessary for the proper operation of the Joint Wastewater Treatment Facility and System.

d) To take possession and have custody of all the real and personal property involved in the Joint Sewer System and to keep the same in good order and repair.

e) Make such rules and regulation for the preservation, protection and care of the sewage system as they may deem advisable, and to duly publish such rules and regulations.

f) On or before February 1st of each year to file with the parties hereto a report of its proceedings for the previous year.

g) Maintain General Liability, Fire and Casualty Insurance naming each municipality as additional insured. The limits of coverage shall be prescribed by the joint and concurrent action of the Governing bodies of the parties hereto.

h) Conduct Administrative hearings regarding disputed Sewer Bills pursuant to Section 904 of Article IX of the parties' Sewer Use Laws.

i) On or before April 30 of each year they shall allocate plant capacity and charges to users in accordance with Section 905 (B) (1) of Article IX of the parties' Sewer Use Laws.

j) To determine I/I and Monitoring fees to be imposed on certain classes of sewer users.

k) To determine annually, the percentages of O & M costs to be allocated to the major categories of Flow, BOD5, Suspended Solids, and TKN.

l) To issue Wastewater Discharge Permits to sewer users and require Wastewater Pretreatment in accordance with Article VII of the Sewer Use Law.

m) To conduct administrative hearings regarding violations of Wastewater Discharge Permits and other violations of Sewer Use law.

n) To request its Attorney or the City Attorney of either party to prosecute violators of the Sewer Use Laws in Court.

o) Such other powers and duties as may be delegated and assigned by the mutual agreement of the parties hereto.

In all questions to be determined by the Board it shall be necessary for not less than four votes to carry same. In the event of a stalemate in which the required four votes can not be

obtained, the matter may be submitted to arbitration as provided for in the Agreement of May 22, 1964.¹

5. A new paragraph to be labeled Section 19 shall be added to the Joint Sewer Contract and shall state as follows:

IDENTICAL ORDINANCES

The parties agree that in the interest of orderly operation of the jointly owned Wastewater Treatment Facilities, and the prevention of economic dislocation, that they shall maintain identical language in their respective Sewer Use Laws.

INTERNAL SEWER MAINTENANCE

6. A new paragraph to be labeled Section 20 shall be added to the Joint Sewer Contract and shall state as follows:

The parties acknowledge and agree that the sewer revenue generated by the provisions of Article 9 of their respective Sewer Use Laws is intended to cover only the Capital and Operational and Maintenance costs of the jointly owned Wastewater Treatment Facility and Trunk Sewers. The revenues generated thereby is not intended for the maintenance of the Cities' internal sewer systems. The Cities have each enacted a separate chapter or section to their respective Codes of Ordinances which is entitled "Sewer System Infrastructure Charges". This new Chapter or section creates an additional surcharge which shall be calculated by multiplying a rate per hundred cubic feet of flow.

The Sewer System Infrastructure Charge shall not be subject to a provision requiring identical Ordinances in the two Cities as set forth above in paragraph 5 of this agreement.

7. A new paragraph to be labeled Section 21 shall be added to the Joint Sewer Contract and shall state as follows:

MAINTENANCE OF TRUNK SEWERS

The repair of the Trunk Sewers shall be done by the parties' Street Departments for those sections of sewer lying within their respective jurisdictions. The parties shall be reimbursed by the Joint Sewer Fund for actual labor and costs incurred. All material is to be furnished at cost. The parties shall submit an itemized voucher and full accounting for any work performed under this section.

8. A new Paragraph to be labeled Section 22 shall be added to the Joint Sewer Contract as follows:

ALLOCATION OF RESERVE CAPACITY

a) The parties agree that on or before December 31st of each year, the Joint Sewer Board shall determine the amount of "Reserve Capacity" present at the Wastewater Treatment Facility. Reserve Capacity being defined as the difference between the design capacity of the Wastewater Treatment Facility and the Capacity allocated to all users.

b) Each party shall be entitled to Fifty (50%) per centum of this Reserve Capacity.

In the event that a user or potential user shall apply for an increase in their discharge permit or an initial discharge permit utilizing Fifteen (15%) per centum or greater of the Reserve Capacity, allocated to the party in the jurisdiction said user is or will be located in any of the four major categories of: Flow, BOD5, Suspended Solids, and TKN, then in that event, said user must obtain the approval of the Common Council of the party in whose jurisdiction said user is or will be located, after recommendation of the party's Planning Board.

Prior to consideration of a user's application under this section, the party shall conduct a Public Hearing upon at least Ten (10) days notice by publication in its official newspaper.

Upon approval by a party's Common Council, the users' application must be submitted to the Joint Sewer Board for final approval.

9. A new paragraph to be labeled Section 23 shall be added to the Joint Sewer Contract as follows:

DESIGNATION OF LEAD AGENCY AND GRANTEE STATUS

The parties agree that the City of Gloversville, New York shall be designated as the "lead agency", shall be named as "grantee" for the purpose of certain Federal and State aid to construct the following projects until 12/31/86. Beginning 1/1/87 and thereafter the City of Johnstown shall be designated as the "lead agency", and shall be named as "grantee", provided said change shall not violate the rules and regulations of the State and Federal Construction Aid Grant Programs. The foregoing paragraph shall apply to the following projects:

- a) Zimpro Elimination Project.
- b) Rehabilitation and Upgrading of Wastewater Treatment Facility accordance with the Report on Facilities Plan, Third Iteration.
- c) Internal Sewer Rehabilitation in accordance with the Infiltration and Inflow report.

Authority to commence specific stages of said capital projects must be given by the Common Councils of the respective Cities by Resolution.

10. That additional new paragraphs shall be added to the

Joint Sewer Contract as follows:

Section 24 SCOPE OF REHABILITATION AND UPGRADING PROJECT

The parties hereto agree to jointly engage in the construction of certain new facilities to rehabilitate and upgrade the existing Wastewater Treatment Facility located on Union Avenue in the City of Johnstown, New York. The operation and maintenance of which shall be conducted as specified heretofore in connection with the original facility and under such additional terms and conditions as may be set forth hereafter.

Section 25 DURATION

The term of this contract as set forth in Section 2 of the original contract of May 22, 1964 shall be modified to provide that it shall run for an additional period of TWENTY (20) years to commence upon the completion of the rehabilitation and upgrading project, unless otherwise modified and amended as hereinafter provided, to be renewable by the parties upon such terms and conditions as they may agree upon.

Section 26 TITLE TO PROPERTY

Title to any real or personal property acquired in connection with the Zimpro Elimination project and the Rehabilitation and Upgrading of the Wastewater Treatment Facility in accordance with the Facility Plan as prepared by the parties' consulting Engineers shall vest in the parties as tenants in common in the following proportions, to wit:

The City of Gloversville, an undivided FIFTY (50%) percent, interest. The City of Johnstown, an undivided FIFTY (50%) percent interest.

Section 27 TYPE OF IMPROVEMENTS

The design, type and specification of equipment to replace the Zimpro sludge processing equipment and to upgrade the plant with an Advanced Secondary Treatment, and for such other rehabilitation as is necessary shall be as recommended by the Consulting Engineers and as approved by the United States Enviromental Protection Agency, the New York State Department of Enviromental Conservation, the Joint Sewer Board, and the respective governing bodies of the two municipalities.

Section 28 AUTHORIZATION TO PROCEED

The parties hereto agree that they will need to hire consulting engineers to provide, among others, the following services:

1. Preliminary Design Plans for Project and Cost Estimates.
2. Plans, specifications, contract documents and other data required for the project.
3. Preparation of applications for Federal and/or State Grants and Aid.
4. Preparation of application for necessary approvals from Local, State or Federal authorities.
5. All necessary surveys and descriptions of necessary rights of way.
6. Detailed construction plans.

The parties hereto agree that said consulting engineers will receive such compensation as agreed upon between the consulting engineers and the parties hereto, provided, however, that such compensation shall not exceed rates of the American Society of Civil Engineers.

The parties jointly designate STEARNS & WHEELER, ENGINEERS AND SCIENTISTS of 10 Albany Street, Cazenovia, New York 13035 as consulting engineers to provide engineering services in connection with the Zimpro Elimination project and the Rehabilitation and Upgrading of the Wastewater Treatment Plant in accordance with the Third Facility Plan dated April 1986.

The engineering agreements for each of the above listed projects shall be executed by the Mayors of the two respective municipalities for their respective municipality upon approval of said agreement shall contain a timeable for the completion of the various services to be performed.

The fees paid for such consulting engineering services are and shall be a portion of the capital costs heretofore mentioned.

11. All other provisions of the original agreement and any supplemental agreements heretofore executed by the parties that are not in consistent herewith shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have caused this agreement to be executed by its duly authorized officer and sealed with its corporate seals the day and the year first above mentioned.

Attest:

City of Gloversville

by Mario J. Balzano

City Clerk
City of Gloversville

Susan J. Hammond

SUSAN J. HAMMOND, MAYOR
City of Gloversville, New York

Attest:

City of Johnstown

by Constance L. Kener

City Clerk
City of Johnstown

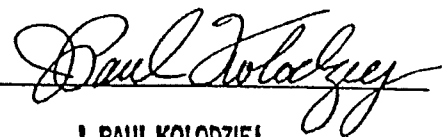
Donald F. Murpey

DONALD F. MURPEY, MAYOR
City of Johnstown, New York

STATE OF NEW YORK)
COUNTY OF FULTON)
CITY OF GLOVERSVILLE)

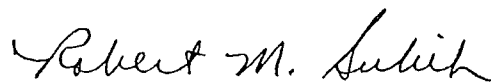
On this 12th day of September, Nineteen Hundred and Eighty-Six, before me personally appeared SUSAN HAMMOND, to me personally known who being by me duly sworn, did depose and say that she resides in the City of Gloversville, New York that she is the Mayor of the CITY OF GLOVERSVILLE, the corporation described in and which executed the above Instrument; that she knows the seal of said corporation, that the seal affixed to said Instrument is such corporate seal; that it was so affixed by order of the Common Council of said corporation and she signed her name thereto by like order.

STATE OF NEW YORK)
COUNTY OF FULTON)
CITY OF JOHNSTOWN)



J. PAUL KOLODZIEJ
Notary Public - New York State
Residing in Fulton County
Commission Expires ~~March 31, 1988~~
AUG

On this 12th day of September, Nineteen Hundred and Eighty-Six, before me personally appeared DONALD F. MURPEY, to me personally known who being by me duly sworn, did depose and say that he resides in the City of Johnstown, New York that he is the Mayor of the CITY OF JOHNSTOWN, the corporation described in and which executed the above Instrument; that he knows the seal of said corporation, that the seal affixed to said Instrument is such corporate seal; that it was so affixed by order of the Common Council of said corporation and he signed his name thereto by like order.



ROBERT M. SUBIK
Notary Public, State of New York
Qualified in Fulton Co., No. 4685840
My Commission Expires 6/30/88

AMENDMENT AGREEMENT TO JOINT SEWER CONTRACT

GLOVERSVILLE-JOHNSTOWN

Made this day of , 1987, between the City of Gloversville, N.Y., a municipal corporation organized by and under the laws of the State of New York, which maintains its offices at Frontage Road, Gloversville, New York; and the City of Johnstown, N.Y., a municipal corporation organized by and under the laws of the State of New York, which maintains its offices at Nos. 33-41 East Main Street, Johnstown, New York.

W I T N E S S E T H :

WHEREAS the parties hereto have heretofore on May 22, 1964 entered into an agreement pursuant to Article 5-G of the General Municipal Law to construct, maintain and operate a Wastewater Treatment Facility to meet the needs of both municipalities; and

WHEREAS the parties hereto have, from time to time, executed amendments to said agreement, and in particular a major revision was entered into by the parties on September 12, 1986; and

WHEREAS the parties have been notified by the New York State Department of Environmental Conservation that certain other additions and revisions to the aforesaid agreement are necessary to comply with the rules and regulations of the Con-Grant Program,

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements herein contained, it is hereby

AGREED BY AND BETWEEN THE PARTIES HERETO AS FOLLOWS:

1. That Paragraph 1 entitled "CAPITAL COSTS SUBSEQUENT TO 1/1/86," which paragraph amends Section 7 entitled "Capital Costs" of the original contract, and which paragraph is located at Page 2 of the Agreement dated September 12, 1986 be amended by the addition of the following paragraph:

All Capital Project Grant Reimbursement received for Capital Expenses which are incurred or which accrue subsequent to January 1, 1986 shall be allocated in the following manner: The City of Gloversville Fifty (50%) per centum thereof and the City of Johnstown Fifty (50%) per centum thereof.

2. That Paragraph 3(b)(vi) entitled "Duties of Fiscal Clerk," which paragraph is located at Page 8 of the Agreement dated September 12, 1986 be and the same is hereby deleted and in its place and stead the following shall be substituted:

The said Fiscal Clerk shall in general terms have authority to oversee all day-to-day matters concerning receipt of revenue forwarded from the parties' Fiscal Officers and the payment of Joint Sewer Board expenses. The Fiscal Clerk shall

confer on a regular basis with the Manager of Wastewater Programs and shall attend the regular meetings of the Joint Sewer Board.

In general, the Fiscal Clerk shall perform such duties and tasks as have hertofore been performed by the Gloversville Commissioner of Finance on behalf of the Joint Sewer Board. Specifically, the Fiscal Clerk shall have the authority to: Maintain capital project funds and current expenses funds accounts; to sign and issue checks in payment of bills; to encumber funds upon issuance of a purchase order; and to audit for final approval all bills. Said Fiscal Officer must submit an abstract of all expenses to be paid for approval by the Joint Sewer Board at its next available meeting.

The Fiscal Clerk shall also have authority to: Prepare payroll recors; make payments for salaries; file employment reports for Workers Compensation, New York State Disability, and Unemployment Compensation, etc.; issue W-2 forms; to perform the cumputation of all industrial sewer bills and to send such computations to the Clerks of the Water Board in each respective City; to prepare and sign applications for operation and maintenance aid with the State of New York on behalf of the Supervising Fiscal Officer.

The Fiscal Clerk, upon recommendation of the Manager of the Wastewater Project and approval of the Joint Sewer Board, shall: Prepare applications for Capital Project Grants; prepare requests for Capital Project Grant Reimbursement based on actual expenditures for Capital Projects; keep records of

disbursements, reimbursement requests, and reimbursements as they are incurred or received for each Grant; maintain supporting documentation as required for each Capital Project; transmit Grant reimbursements received to the Cities' Fiscal Officers in accordance with the Section entitled "Capital Costs" of this Agreement as amended herein, except that the Fiscal Clerk shall retain sufficient funds to meet the cash flow needs of each Capital Project prior to Project "Close-Out

3. That Paragraph "4" which amends Section 14 of the original contract entitled "SEWER BOARD IN GENERAL," which paragraph is located at Page 10 of the Agreement dated September 12, 1986, shall be amended as follows:

o) Act as Agent for the Cities of Gloversville and Johnstown to administer engineering and construction contracts for Additions and Modifications to Joint Wastewater Treatment Facilities including Segment I - ZIMPRO Decant Elimination, Segment II - Digestion Facilities, and Segment III - Advanced Wastewater Treatment Facilities. All change orders shall be reviewed and approved by the Joint Sewer Board and signed by the designated signee for the Lead Agency.

p) "Such other powers and duties as may be delegated and assigned by the mutual agreement of the parties hereto."

4. That Paragraph 9 which amends Section 23 of the original contract entitled "DESIGNATION OF LEAD AGENCY AND GRANTEE STATUS," which paragraph is located at Page 15 of the Agreement of dated September 12, 1986 shall be amended by the addition of the following:

The parties agree that the Mayor of the City which is

designated as the "lead agency" shall act as the "Authorized Representative" of the "grantee."

5. That Section 27 entitled "Type of Improvements" located at Page 17 of the Agreement of September 12, 1986 shall be deleted and in its place and stead the following shall be substituted:

"The design, type and specifications for equipment to replace the "ZIMPRO" sludge processing equipment, and certain other equipment necessary to upgrade the Wastewater Treatment Facility with Advanced Secondary Treatment in order to meet the Facility's revised SPDES PERMIT shall be as recommended by the parties; consulting engineers and as approved by USEPA and NYSDEC after approval and submission of same by the governing bodies of the respective parties and the Joint Sewer Board. The design, type and specification for routine equipment replacement, upgrading and/or modification during the plant's useful life shall be as approved by the Joint Sewer Board.

6. That Section 22 entitled "ALLOCATION OF RESERVE CAPACITY" located at Page 14 of the Agreement of September 12, 1986 be deleted and in its place and stead the following shall be substituted:

"ALLOCATION OF CAPACITY"

a) RESERVE CAPACITY: The parties have determined that each shall be entitled to retain control over: 300,000 gallons of Flow per day, 625 pounds of BOD5 per day, 687.5 pounds of Suspended Solids per day, and 112.5 pounds of TKN per day of unallocated capacity at the Wastewater Treatment Facility which shall be denominated as "Reserve Capacity."

i. Allocation of "Reserve Capacity" - Minor Requests. Users or potential users who, in any calendar year, cumulatively request less than ten (10%) per centum of each component of said reserve capacity shall be referred for approval to the Joint Sewer Board.

ii. Allocation of "Reserve Capacity." - Major Requests. Users or potential users who, in any calendar year, cumulatively request ten (10%) per centum or greater of each component of said "Reserve Capacity" shall be referred for approval to the Common Council of the party in whose territorial jurisdiction said user is or will be located, after review by and recommendation from the party's Planning Board. A party allocating Reserve Capacity under this paragraph shall subsequently notify the Joint Sewer Board of the type and amount of capacity allocated.

iii. "Remaining Reserve Capacity" shall be defined as Reserve Capacity less any allocations made by the parties under Paragraphs 6(a)(i) and (ii).

iv. Restoration of Reserve Capacity. Reserve capacity allocated to users shall be restored by utilizing surrendered capacity as follows: The difference between a party's Reserve Capacity and its remaining reserve capacity shall be treated by the Joint Sewer Board as if the City were a user requesting additional capacity. This request shall be subject to the same rules set forth hereafter in Paragraphs 6(b)(i)(ii) and (iv) for allocation of Surrendered Capacity, except that the Joint Sewer Board shall provide notification to the parties in advance of any action by the Board to

restore reserve capacity.

v. Allocation to Outside Users. Any allocation of capacity to a user or users located outside the territorial boundaries of the parties shall be made from the Reserve Capacity belonging to the party to which said user or users shall connect.

b. SURRENDERED CAPACITY: In the event that existing users request a reduction in their discharge permits, go out of business, have their discharge permits revoked or terminated, or otherwise relinquish, a portion or all of their permitted capacity, said capacity shall be denominated as "Surrendered Capacity." The parties recognize that maximum usage of the sewer system results in the lowest per unit cost to users. Therefore, the parties hereby authorize the Joint Sewer Board, after deduction of any capacity restored to the parties' Reserve Capacity pursuant to Paragraph 6(a)(iii), to allocate all Surrendered Capacity to other users as soon as may be practical after such Surrendered Capacity becomes available. To allocate Surrendered Capacity, the Joint Sewer Board shall apply the following rules:

i. Generally. If the total of all additional capacity requested by users is equal to or less than the total "Surrendered Capacity," then all users requesting capacity shall receive the amount of their request.

ii. Minor Requests. Users requesting less than five (5%) per centum of the total surrendered capacity available to the Joint Sewer Board at the time of their

request; or requests of no more than 2,500 gallons of flow per day, six (6) pounds of BOD5 per day, six (6) pounds of Suspended Solids per day, and two (2) pounds of TKN per day shall receive their entire requested increase in permitted capacity.

iii. Remaining Surrendered Capacity shall be defined as total Surrendered Capacity less the capacity allocated to users under the aforesaid Paragraph 6(b)(i). ~~and (ii)~~

iv. Major Requests. Those users requesting five (5%) per centum or greater of total surrendered capacity shall receive a prorated share of the "remaining surrendered capacity." This prorated share shall be determined by multiplying the remaining surrendered capacity by the amount of the increase requested by each user and then dividing the result by the sum of all requested increases.

IN WITNESS WHEREOF, the parties hereto have caused this agreement to be executed by its duly authorized officer and sealed with its corporate seals the day and the year first above written.

Attest:

City of Gloversville

BY: Marie S. Keator
City Clerk

Susan J. Hammond
SUSAN J. HAMMOND, MAYOR

Attest:

City of Johnstown

BY: Constance L. Keener
City Clerk

BY: Donald F. Murphy
DONALD F. MURPHY, MAYOR

STATE OF NEW YORK
COUNTY OF FULTON
CITY OF GLOVERSVILLE

On this 23rd day of June, 1987, before me personally appeared SUSAN J. HAMMOND, to me personally known who being by me duly sworn, did depose and say that she resides in the City of Gloversville, New York that she is the Mayor of the CITY OF GLOVERSVILLE, NEW YORK, the municipal corporation described in and which executed the above Instrument; that she knows the seal of said corporation, that the seal affixed to said Instrument is such corporate seal; that it was so affixed by order of the Common Council of said corporation and she signed her name thereto by like order.

Jacqueline L. Stewart
Commissioner of Deeds

STATE OF NEW YORK
COUNTY OF FULTON
CITY OF JOHNSTOWN

On this 3rd day of June, 1987, before me personally appeared DONALD F. MURPHY, to me personally known who being by me duly sworn, did depose and say that he resides in the City of Johnstown, New York that he is the Mayor of the CITY OF JOHNSTOWN, the municipal corporation described in and which executed the above Instrument; that he knows the seal of said corporation, that the seal affixed to said Instrument is such corporate seal; that it was so affixed by order of the Common Council of said corporation and he signed his name thereto by like order.

Marylouise Farrant

Marylouise Farrant
Commissioner of Deeds

AMENDMENT AGREEMENT TO JOINT SEWER CONTRACT

GLOVERSVILLE-JOHNSTOWN

Made this 7th day of November, 1989, between the City of Gloversville, N. Y., a municipal corporation organized by and under the laws of the State of New York, which maintains its offices at Frontage Road, Gloversville, New York; and the City of Johnstown, N. Y., a municipal corporation organized by and under the laws of the State of New York, which maintains its offices at Nos. 33-41 East Main Street, Johnstown, New York.

W I T N E S S E T H :

WHEREAS the parties hereto have heretofore on May 22, 1964 entered into an agreement pursuant to Article 5-G of the General Municipal Law to construct, maintain and operate a Wastewater Treatment Facility to meet the needs of both municipalities; and

WHEREAS the parties hereto have, from time to time, executed amendments to said agreement, and in particular a major revision was entered into by the parties on September 12, 1986; and

WHEREAS the parties are desirous of establishing a mechanism for the revision of Industrial Wastewater Discharge Permits and the creation of standards and guidelines to be utilized by the Joint Sewer Board for such revisions,

NOW, THEREFORE, in consideration of the premises and the

mutual covenants and agreements herein contained, it is hereby
AGREED BY AND BETWEEN THE PARTIES HERETO AS FOLLOWS;

That Section 22 entitled "ALLOCATION OF RESERVE
CAPACITY" located at Page 14 of the Agreement of September 12,
1986 be deleted and in its place and stead the following shall be
substituted

SECTION 22.

"ALLOCATION OF CAPACITY"

a) RESERVE CAPACITY: The parties have determined that
each shall be entitled to retain control over: 300,000 gallons of
Flow per day, 625 pounds of BOD5 per day, 675 pounds of Suspended
Solids per day, and 125 pounds of TKN per day of unallocated
capacity at the Wastewater Treatment Facility which shall be
denominated as "Reserve Capacity". The parties have also
determined that each shall, from year to year, maintain control
over: 200,000 gallons of flow per day, 415 pounds of BOD5 per day,
450 pounds of suspended solids per day, and 50 pounds of TKN per
day of unallocated capacity at the Wastewater Treatment Facility
which shall be denominated as "Minimum Reserve Capacity".

1. Allocation of "Reserve Capacity" - Minor Requests.
Users or potential users who, in any calendar year, cumulatively
request less than five (5%) per centum of each component of said
reserve capacity shall be referred for approval to the Joint Sewer
Board.

ii. Allocation of "Reserve Capacity." - Major Requests. Users or potential users who, in any calendar year, cumulatively request five (5%) percentum or greater of each component of said "Reserve Capacity" shall be referred for approval to the Common Council of the party in whose territorial jurisdiction said user is or will be located, after review by and recommendation from the party's Planning Board. A party allocating Reserve Capacity under this paragraph shall subsequently notify the Joint Sewer Board of the type and amount of capacity allocated.

iii. "Remaining Reserve Capacity" shall be defined as Reserve Capacity less any allocations made by the parties under paragraphs 22 (a)(i) and (ii).

iv. Restoration of Reserve Capacity. Reserve capacity allocated to users shall be restored to the parties by utilizing surrendered capacity as follows:

(1) If either party's remaining reserve capacity falls below the Minimum Reserve Capacity, then surrendered capacity shall first be allocated as needed to restore that party's remaining reserve capacity to the levels of the Minimum Reserve Capacity.

(2) The difference between a party's Reserve Capacity and its remaining reserve capacity after any allocation required by Section 22 (a) (iv) (i) shall be treated by the Joint Sewer Board as if the City were a user requesting additional capacity. This request shall be subject to the same rules set forth hereafter in paragraphs 22 (b)(i), (ii) and (iv) for allocation of Surrendered

Capacity, except that the Joint Sewer Board shall provide notification to the parties in advance of any action by the Board to restore reserve capacity.

v. Allocation to Outside Users. Any allocation of capacity to a user or users located outside the territorial boundaries of the parties shall be made from the Reserve Capacity belonging to the party to which said user or users shall connect.

b. SURRENDERED CAPACITY: In the event that existing users request a reduction in their discharge permits, go out of business, have their discharge permits revoked or terminated, or otherwise relinquish, a portion or all of their permitted capacity, said capacity shall be denominated as "Surrendered Capacity". The parties recognize that maximum usage of the sewer system results in the lowest per unit cost to users. Therefore, the parties hereby authorize the Joint Sewer Board, after deduction of any capacity restored to the parties' Reserve Capacity pursuant to paragraph 22 (a)(iii), to allocate all Surrendered Capacity to other users as soon as may be practical after such Surrendered Capacity becomes available. To allocate Surrendered Capacity, the Joint Sewer Board shall apply the following rules:

i. Generally. If the total of all additional capacity requested by users is equal to or less than the total "Surrendered Capacity", then all users requesting capacity shall receive the amount of their request.

ii. Minor Requests. Users requesting less than five (5%) per centum of the total surrendered capacity available to the Joint Sewer Board at the time of their request; or requests of no more than 2,500 gallons of flow per day, six (6) pounds of BOD5 per day, six (6) pounds of Suspended Solids per day, and two (2) pounds of TKN per day shall receive their entire requested increase in permitted capacity.

iii. Remaining Surrendered Capacity shall be defined as total Surrendered Capacity less the capacity allocated to users under the aforesaid paragraphs 22 (b)(i) and (ii).

iv. Major Requests. Those users requesting five (5%) per centum or greater of total surrendered capacity shall receive a prorated share of the "remaining surrendered capacity". This prorated share shall be determined by multiplying the remaining surrendered capacity by the amount of the increase requested by each user and then dividing the result by the sum of all requested increases.

c. REVISIONS TO PERMITTED CAPACITY:

i. Generally - MCI users holding industrial wastewater discharge permits shall be subject to annual review and revision. When such revisions occur, they shall be accomplished either: upon request, automatically or by a combination of the two.

ii. Definitions

1. The 75% Rule - MCI users which have actual usage* that is less than 75% of said user's permitted capacity for each of three periods which are: the permit year in which the rule is being applied (to be calculated as follows: actual usage multiplied by twelve (12) and divided by the number of months for which usage has been determined) and for the two (2) permit years immediately preceding the year in which the rule is being applied shall not be in compliance with this rule.

2. Three (3) year average difference - shall mean the sum of the differences between an MCI user's permitted capacity and said user's actual discharge during the three periods used above when determining compliance with the 75% Rule divided by three.

3. Recaptured Capacity - capacity, or a component thereof, which is realized by revision or reduction of user's discharge permits as prescribed in

*actual usage shall be determined using the Flow, Suspended Solids, BOD, and TKN data used to calculate the MCI user's monthly sewer bill.

paragraph 22(c) shall be known as "recaptured capacity".

iii. Revision upon Request.

1. A City may request that the Joint Sewer Board revise or reduce the components of capacity (FLOW, Suspended Solids, BOD5 or TRN) allocated to MCI users within its jurisdiction in order to replenish its Reserve Capacity up to but not exceeding its original Reserve Capacity. This request shall be upon majority vote of the Common Council and be transmitted in writing from the Mayor to the Joint Sewer Board at least twenty-one (21) days prior to the next issuance of industrial wastewater discharge permits.

2. The request shall state the amount of the component of capacity to be restored to the City's Reserve Capacity.

3. An MCI user not in compliance with the 75% rule and other users similarly situated shall be subject to a proportional reduction in said capacity, or a component thereof. The reduction shall be proportionate to the three (3) year average difference calculated for each affected MCI user.

4. Reductions from each MCI user not in compliance with the 75% rule shall be equal to the amount of the user's three (3) year average difference divided by the sum of the three (3) year average differences of all MCI users similarly situated multiplied by the amount of capacity or

the component thereof requested by the City.

5. In the case of a user which shall have used five (5%) per cent or less of its permitted capacity in all categories during the preceding permit period, the Joint Sewer Board may, upon request by the City in which the user is located, reduce the user's capacity or a component thereof to zero (0) and not issue a discharge permit for the following year.

iv. Automatic Revision

1. If an MCI user is not in compliance with the 75% rule, the Joint Sewer Board shall reduce said user's permitted capacity upon expiration of the user's industrial wastewater discharge permit. The amount of reduction shall be equal to ten (10%) per cent of the three (3) year average difference. Reduction of an MCI user's permit through the mechanism contained in this paragraph shall occur once each year.

2. The cities, by majority vote of each Common Councils, may suspend the operation of this paragraph for any year that they choose to do so.

v. Priority of Revisions to Capacity/Limitations on Revisions

1. In any year in which there shall be both a revision upon request and automatic revision, then in that event five

(5%) per cent of the three (3) year average difference shall be allocated to the city making the request, and five (5%) per cent of the three (3) year average difference shall be allocated to surrendered capacity.

2. In no event shall any MCI user's capacity, or a component thereof, be reduced by more than ten (10%) per cent during any annual review and revision period, unless a user shall have used five (5%) per cent or less of its permitted capacity in all categories during the preceding permit period, in which case the provisions of 22(c)(iii)(5) shall apply.

3. Reductions occurring in accordance with paragraph 22(c) shall be for the permit year following the revision process.

vi. Administrative Hearing on Revisions

1. Notice - Any MCI user which is not in compliance with the 75% Rule and which is subject to revision of its capacity shall receive written notice of such revision at least 30 days before the issuance of a new discharge permit.

2. Hearing - Any MCI user which desires to contest the revision of its discharge permit shall be entitled to a hearing before the Joint Sewer Board, which hearing shall be held in accordance with the procedural rules for Administrative Hearings found in Article VIII of the Sewer

Use Law and the Rules and Regulations of the Joint Sewer Board.

3. Issue - The sole issue to be considered by the Joint Sewer Board at such a hearing shall be whether said MCI user is in violation of the 75% Rule. The MCI user's monthly sewer bills for the period subject to the 75% rule shall be considered conclusive unless timely objections to said bills were filed in accordance with Section 17-904 of the Sewer Use Law.

4. It is the public policy of both cities that all MCI users must have an Industrial Wastewater Discharge Permit. All hearings and the submittal of all evidence before the Joint Sewer Board concerning revision to permitted capacity must occur prior to the expiration of an MCI user's existing Industrial Wastewater Discharge Permit.

vii. Allocation of Recaptured Capacity - Recaptured capacity realized from the application of Paragraph 22(c)(iv) shall be allocated to Surrendered Capacity. Recaptured capacity realized from the application of Paragraph 22(c)(iii) shall be allocated to restore the Reserve Capacity to the party which requested it.

viii. Restrictions on applications for additional capacity - No MCI user which is subject to revision of its

capacity or a component thereof under paragraph 22(c) shall be allowed to apply to the Joint Sewer Board for additional capacity or a component thereof during the permit period for which such revision is effective. This restriction shall apply to only those components of capacity for which the 75% rule applies.

CHANGES TO INTERMUNICIPAL CITY AGREEMENT

PAGE 3 - COLLECTION AND ALLOCATION OF SEWER REVENUE:

The Clerk of the Water Board in each City shall continue to bill for and collect all sewer revenue from Residential/Commercial Users (Non-MCI) in accordance with Article IX of the parties' Sewer Use Law. The Clerk of the Water Board in each City shall provide to the Joint Sewer Board Fiscal Clerk and the Chief Fiscal Officer of the City a copy of the Final Billing Summary computer report for Non-MCI's showing both sewer usage and charges. The Clerks shall pay over all sewer revenue collected to the Chief Fiscal Officer of each respective City.

The Joint Sewer Board Fiscal Clerk shall bill monthly for all sewer revenue from Industrial Users (MCI). The Chief Fiscal Officer of each respective City shall collect all sewer revenues and maintain records for all Industrial Users (MCI). The Clerk of the Water Board in each City shall provide to the Joint Sewer Board Fiscal Clerk a monthly listing of water usage of MCI's. The Joint Sewer Board Fiscal Clerk will supply the Chief Fiscal Officer of each respective City with a monthly MCI Report of Billing and the Chief Fiscal Officer of each respective City will in turn supply the Joint Sewer Board Fiscal Clerk with a monthly MCI Report of Payment.

Each City will be responsible for billing and collection of their own sewer infrastructure charges from both MCI and Non-MCI Users.

The repayment of principal and interest on the long term capital bonds of both Cities shall have the first claim on any sewer revenue collected by either City. The Chief Fiscal Officer of each city shall retain an amount equivalent to one twelfth (1/12) of the total annual principal and interest payment due on their respective Cities' eligible long term capital bonds. The centrifuge bonds in the City of Gloversville are ineligible. In the event the funds retained by the Cities Chief Fiscal Officer are insufficient to repay their long term capital bonds, then the Joint Sewer Board Fiscal Officer shall be required to pay over to the City or Cities experiencing a shortfall, sufficient funds to make said payment of principal and interest. All of the remaining sewer revenue said City Chief Fiscal Officer shall pay over to the Joint Sewer Board Clerk within fifteen (15) days after the end of the month following its collection.

(NEW) FUNDING OF WORKING CAPITAL REQUIREMENT:

The Chief Fiscal Officer of each respective City will pay over to the Joint Sewer Board Fiscal Clerk an amount of money equal to \$250,000.00 each which will be shown on the financial records of the Joint Sewer Board as a Permanent Restricted Fund Balance of \$500,000.00. This payment shall be used to fund the working capital requirement of the Joint Sewer Board. The amount is subject to change upon agreement by the two Cities. These monies will only be returned to the Cities upon closure of the Gloversville-Johnstown Joint Wastewater Treatment Facilities.

PAGE 4. SHORTFALL IN SEWER REVENUE:

b) It shall be the duty of the Joint Sewer Board Fiscal Clerk to monitor the incoming sewer revenue and the expenses of the Joint Sewer Board. Said Fiscal Clerk shall notify the Supervising Fiscal Officer and the Manager of the Wastewater Programs whenever, in the Fiscal Clerk's reasonable opinion, the sewer revenue generated by the sewer rates then in effect is inadequate to meet the Joint Sewer Board expenses. The Supervising Fiscal Officer, Manager of Wastewater Programs and Fiscal Clerk shall meet within fourteen (14) days after notification to determine what administrative measures, if any, may be taken to reduce the shortfall. If, after said meeting, the Fiscal Clerk determines that (1) a shortfall is occurring despite the application of administrative measures, (2) a deficit has occurred or is imminent, and (3) the deficit will not likely be corrected within sixty (60) days, said Fiscal Clerk shall notify the Cities Fiscal Officers and Mayors, the Joint Sewer Board Chairman and the Manager of Wastewater Programs in writing by sending them a "Notice of Deficit". Said Fiscal Clerk will schedule a meeting of the parties so notified to review Fund Balance Requirements whenever a "Notice of Deficit" is sent.

Attest:

City of Gloversville

By: Marie S. Keator
City Clerk

By: Susan J. Hammond
Susan J. Hammond, Mayor

At test:

City of Johnstown

By: Marlyn Huggs
City Clerk

By: Donald F. Murphy
Donald F. Murphy, Mayor

STATE OF NEW YORK)
COUNTY OF FULTON) ss.:

On this 14 day of November, 1989, before me personally came SUSAN J. HAMMOND, to me personally known who, being by me duly sworn did depose and say that she resides at Gloversville, New York; that she is the Mayor of CITY OF GLOVERSVILLE, the municipal corporation described in and which executed the above Instrument; that she knows the seal of said corporation; that the seal affixed to said Instrument is such corporate seal; that it was so affixed by order of the Common Council of the City of Gloversville and that she signed her name thereto by like order.

Marie S. Keator
Notary Public

MARIE S. KEATOR
NOTARY PUBLIC - STATE OF NEW YORK
RESIDING IN FULTON COUNTY
COMMISSION EXPIRES JANUARY 19, 1990

STATE OF NEW YORK)
COUNTY OF FULTON) ss.:

On this 7th day of November, 1989, before me personally came DONALD F. MURPHY, to me personally known who being by me duly sworn did depose and say that he resides at 2 West Madison Avenue, Johnstown, New York; that he is the Mayor of the CITY OF JOHNSTOWN, the municipal corporation described in and which executed the above Instrument; that he knows the seal of said corporation; that the seal affixed to said Instrument is such corporate seal; that it was so affixed by order of the Common Council of the City of Johnstown and that he signed his name thereto by like order.

Robert M. Subik
Notary Public

ROBERT M. SUBIK
Notary Public, State of New York
Qualified in Fulton Co., No. 4685840
My Commission Expires 6/30/90

GLOVERSVILLE-JOHNSTOWN

AMENDMENT AGREEMENT TO JOINT SEWER CONTRACT

Made this 22 day of Aug 2005, between the City of Gloversville, New York, a municipal corporation organized by and under the laws of the State of New York, which maintains its offices at Frontage Road, Gloversville, New York; and the City of Johnstown, New York, a municipal corporation organized by and under the laws of the State of New York which maintains its offices at 33-41 East Main Street, Johnstown, New York.

WITNESSETH:

WHEREAS, the parties hereto have heretofore on May 22, 1964 entered into an agreement pursuant to Article 5-G of the General Municipal Law to construct, maintain and operate a Wastewater Treatment Facility to meet the needs of both municipalities; and

WHEREAS, the parties hereto have, from time to time, executed amendments to said agreement; and

WHEREAS, the parties are desirous of modifying certain financial practices as it relates to the Wastewater Treatment Facility,

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements herein contained, it is hereby AGREED BY AND BETWEEN THE PARTIES HERETO AS FOLLOWS:

Both parties acknowledge that they have provided working capital to the Wastewater Treatment Facility for cash flow reasons. Both parties have contributed the sum of \$400,000 each as working capital.

It is the intention of both parties to modify their respective sewer ordinances eliminating the practice of "retroactive adjustments" during 2005. The elimination of this practice will allow the Gloversville-Johnstown Joint Sewer Board (GJJSB) to establish reserve accounts for long-term fiscal stability at the Wastewater Treatment Facility.

With the elimination of "retroactive adjustments", the GJJSB may annually have funds available for disbursement into reserve accounts. In order to establish these accounts and repay both parties their \$400,000 of working capital, the following formula will be utilized annually by the GJJSB Fiscal Officer:

1. Upon completion of the GJJSB "General Purpose Financial Statement" by an independent audit firm for the year ending December 31, 2005, (and annually thereafter), the "excess of revenue over expenditure" shall be used to determine amount of distribution.
2. 25% of this excess of revenue over expenditure will be distributed to the City of Gloversville, and 25% of this excess of revenue over expenditure will be distributed to the City of Johnstown.

3. Distribution of funds, if available, shall occur when cash flow allows the distribution.
4. The remaining 50% of excess of revenue over expenditure will be directed and managed by the GJJSB in a manner as they deem to the best fiscal interest of the Wastewater Treatment Facility.
5. The redistribution back to both cities will continue annually (if excess of revenue over expenditure is available) until each party is reimbursed \$400,000. Upon reaching the \$400,000 value, all excess of revenue over expenditure will be managed by the GJJSB.

Attest:

By: Ellen S. Nellis

City of Gloversville

By: Frank La Porta
Frank La Porta, Mayor

Attest:

By: Victoria B. Nellis

City of Johnstown

By: Robert Schultz
Robert Schultz, Mayor

STATE OF NEW YORK)
COUNTY OF FULTON) ss:

On this 10TH day of MAY, 2005, before me personally came Frank La Porta, to me personally know who, being by me duly sworn did depose and say that he resides at 3 1/2 Second St. Gloversville, New York; that he is the Mayor of the City of Gloversville, the municipal corporation described in and which executed the above Instrument; that he knows the seal of said corporation; that the seal affixed to said Instrument is such corporate; that it was so affixed by order of the Common Council of the City of Gloversville and that he signed his name thereto by like order.

Ellen S. Nellis
Notary Public

STATE OF NEW YORK)
COUNTY OF FULTON) ss:

ELLEN S. NELLIS
Notary Public, State of New York
No. 01NE6097110
Qualified in Fulton County
Commission Expires Sept. 22, 2007

On this 2nd day of Aug, 2005, before me personally came Robert Schultz, to me personally know who, being by me duly sworn did depose and say that he resides at Julien Court, Johnstown, New York; that he is the Mayor of the City of Johnstown, the municipal corporation described in and which executed the above Instrument; that he knows the seal of said corporation; that the seal affixed to said Instrument is such corporate; that it was so affixed by order of the Common Council of the City of Johnstown and that he signed his name thereto by like order.

Victoria B. Nellis
Notary Public

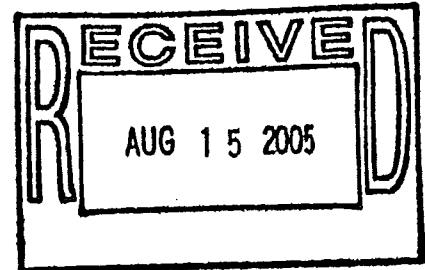
VICTORIA B. NELLIS
Notary Public State of New York
Qualified in Montgomery County
Commission Expires February 18, 2006

68
CATHY A. VAN ALSTYNE
CITY CLERK
CITY HALL
JOHNSTOWN, NEW YORK 12095

MEMORANDUM

TO: George Bevington, GJWTF

DATE: August 12, 2005



Thank you for sending me the copy of the
November 1989 Amendment to the Inter-municipal
Agreement.

Enclosed, please find a copy of Schedule "A" of
Resolution No. 58, 1991. You stated in your letter
of March 10, 2005 you did not have this.

Thanks,

Cathy
1991

4/22/91

RESOLUTION NO. 58 1991

Alderman DiSpirito presented the following Resolution and moved its adoption.

RESOLVED That the Mayor be and he is hereby authorized to execute an Amendment Agreement to the Joint Sewer Contract, a copy of which is annexed hereto as Schedule "A", to provide the additional \$150,000.00 transfer to the Joint Sewer Fund working capital account initially approved by voice on March 18, 1991, and be it further

RESOLVED That this Resolution shall be contingent upon passage of a similar Resolution by the City of Gloversville.

Seconded by Alderman Osusky

Adopted by the following vote:

Ayes: 5

Noes: 0

4,17,30:55

AMENDMENT AGREEMENT TO JOINT SEWER CONTRACT
GLOVERSVILLE-JOHNSTOWN

Made this day of , 1991, between the City of Gloversville, New York, a municipal corporation organized by and under the laws of the State of New York, which maintains its offices at Frontage Road, Gloversville, New York; and the City of Johnstown, a municipal corporation organized by and under the laws of the State of New York, which maintains its offices at 33-41 East Main Street, Johnstown, New York.

W I T N E S S E T H

WHEREAS The parties hereto have heretofore on May 22, 1964 entered into an Agreement pursuant to Article 5-G of the General Municipal Law to construct, maintain and operate a Wastewater Treatment Facility to meet the needs of both municipalities; and

WHEREAS The parties hereto have, from time to time, executed amendments to said Agreement, the last of which was November 7, 1989 concerning revisions to Wastewater Discharge Permits; and

WHEREAS The parties are desirous of amending this Agreement to provide for an increase in the working capital to meet certain cash flow requirements which have arisen.

NOW THEREFORE, In consideration of the premises and the mutual covenants and agreements herein contained, the parties

hereto agree as follows:

SECTION NO. 1

That the paragraphs entitled "Collection and Allocation of Sewer Revenue", and "Funding of Working Capital Requirement" and "Shortfall in Sewer Revenue" found at pages 12 and 13 of the Amendment Agreement dated November 7, 1989 be and the same shall be designated as subsections under Section 10 entitled "Operating Expenses" of the original Agreement of May 22, 1964.

SECTION NO. 2

That the subsection of Section 10 entitled "Funding of Working Capital Requirement" be amended to read as follows:

The Chief Fiscal Officer of each respective City having previously paid over the sum of \$250,000.00, said Fiscal Officers of each City shall pay over to the Joint Sewer Board Fiscal Clerk the additional sum of \$150,000.00 each which will, together with the previous payments, be shown on the financial records of the Joint Sewer Board as a Permanent Restricted Fund Balance of \$800,000.00. These monies shall be used to fund the working capital requirement of the Joint Sewer Board. This amount is subject to change upon agreement by the two Cities. These monies will only be returned to the Cities upon closure of the Gloversville-Johnstown Joint Wastewater Treatment Facilities.

STATE OF NEW YORK
COUNTY OF *Fulton*

)
) ss.:

On this *31st* day of *May*, 1991,
before me personally came Francis W. Reed to me personally known
who, being by me duly sworn did depose and
say that he resides at 916 S. Perry St., Johnstown, N.Y.
that he is the Mayor of the City of Johnstown, New York the
corporation described in and which executed the above Instrument;
that he knows the seal of said corporation; that the seal so
affixed to said Instrument is such corporate seal; that it was so
affixed by order of the Common Council
of said corporation and that he signed his name thereto by
like order.

Marilyn H. Muzzi
Notary Public

MARILYN H. MUZZI
Notary Public, State of N.Y.
18-8085625
Resides in Fulton Co:
Commission Expires Oct. 31, 19*92*

STATE OF NEW YORK
COUNTY OF *Fulton*

)
) ss.:

On this *24* day of *April*, 1991,
before me personally came John Reich
to me personally known who, being by me duly sworn did depose and
say that he resides in 14 Orange Street, Gloversville, New
York that he is the Mayor of Gloversville, New York
the corporation described in and which executed the above
Instrument; that he knows the seal of said corporation; that
the seal so affixed to said Instrument is such corporate seal;
that it was so affixed by order of the Common Council
of said corporation and that he signed his name thereto by
like order.

Marie S. Keator
Notary Public

MARIE S. KEATOR
NOTARY PUBLIC - STATE OF NEW YORK
RESIDING IN FULTON COUNTY
COMMISSION EXPIRES JANUARY 19, 19*92*

City of Gloversville

City Hall - 3 Frontage Road
Gloversville, New York 12078 - 2897



FAX 773-2593

MAYOR 773-4553

* * *

ANIMAL CONTROL
..... 736-2100

ASSESSOR 773-4550

BUILDING INSPECTOR
..... 773-4560

CITY CLERK 773-4542

CODE ENFORCEMENT
..... 773-4560

COMMUNITY DEVELOPMENT
'ENCY 773-4534

FINANCE 773-4532

FIRE 773-4555

LAW OFFICE 773-4554

POLICE 773-4514

POLICE FAX 773-4540

PUBLIC WORKS 773-4556

TRANSIT 773-4528

WATER DEPT. 773-4520

December 16, 2011

RECEIVED
DEC 19 2011

James Mraz
1 East Montgomery St
Johnstown, NY 12095

Re: Gloversville- Johnstown Joint Sewer Board- Intermunicipal Agreement

Dear James,

Enclosed please find copy of amended and extension of agreement that was signed by the parties yesterday.

Thank you for your attention to this matter.

Respectfully Yours,

Anthony Casale/rf

Anthony Casale
/rf

AMENDMENT AND EXTENSION OF JOINT SEWER AGREEMENT

Made this 15th day of December, 2011, between the City of Gloversville, New York, a municipal corporation organized by and under the laws of the State of New York, which maintains its offices at 3 Frontage Road, Gloversville, New York; and the City of Johnstown, New York, a municipal corporation organized by and under the laws of the State of New York, which maintains its offices at 33-41 East Main Street, Johnstown, New York.

WITNESSETH:

WHEREAS the parties have heretofore on May 22, 1964 entered into an agreement pursuant to Article 5-G of the General Municipal Law to construct, maintain and operate a Wastewater Treatment Facility to meet the needs of both municipalities; and

WHEREAS the parties hereto have, from time to time, executed amendments to said agreement; and

WHEREAS the parties are desirous of modifying certain provisions of the existing agreement and are desirous to extend the duration of the Joint Sewer Agreement,

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements herein contained, it is hereby AGREED BY AND BETWEEN THE PARTIES HERETO AS FOLLOWS:

1. With respect to provisions contained in "Section 13" of the 1964 agreement and with respect to any applicable provision in any subsequent amended agreement executed by the parties pertaining to the issue of extension of facilities and services outside of the corporate limits of the City of Gloversville and the City of Johnstown, the parties hereby stipulate and agree to allow unlimited connections within the boundaries of

proposed Sewer District #5 as set forth in "PROPOSED TOWN OF JOHNSTOWN SEWER DISTRICT #5 PHASES I & II", prepared by Fulton County Planning in February 2009, a copy of which is annexed hereto and incorporated herein by reference.

2. That the approval of connections as set forth in preceding paragraph shall be made irrespective of provisions contained in previous agreements executed between the parties pertaining to reserve capacity and the allocation of capacity to outside users and shall be made without the necessity of approval by both parties so long as the total aggregate flow for connections permitted as set forth in the preceding paragraph not exceed 67,500 (Sixty-Seven Thousand Five Hundred) gallons per day.
3. That the parties hereby agree to renew and extend the GLOVERSVILLE- JOHNSTOWN JOINT SEWER CONTRACT for a period of forty years from the date of the execution of this agreement, except as otherwise modified and amended by an instrument in writing, duly executed and acknowledged by the authorized representative of each participating municipality upon approval of resolutions passed by each municipality.
4. That to the extent that the agreements contained herein are inconsistent with any provision of previous agreements made between the parties, the agreement herein shall be controlling in determining the respective rights of each party.

In Witness Whereof the parties hereto have caused this agreement to be executed by their duly authorized offices and sealed with their corporate seals the day and year first above mentioned.

01/17/11
DAYTON KING, MAYOR
CITY OF GLOVERSVILLE

Sarah Slingerland
SARAH SLINGERLAND, MAYOR
CITY OF JOHNSTOWN
STATE OF NEW YORK)
COUNTY OF FULTON) ss.:

On this 15 day of Dec, 2011, before me personally came Dayton King, to me personally known, being by me duly sworn did depose and say that he resides at 27 South Ave, Gloversville that he is the Mayor of the City of Gloversville, New York, the municipal corporation described in and which executed the above instrument; that he knows the seal of said corporation; that the seal affixed to said Instrument is such corporate; that it was so affixed by order of the Common Council of the City of Gloversville and the he signed his name thereto by like order.

Anthony Casale
Notary Public

ANTHONY CASALE
Notary Public, State of New York
No. 02CA8094737
Qualified in Fulton County
Comm. Expires June 23, 2015

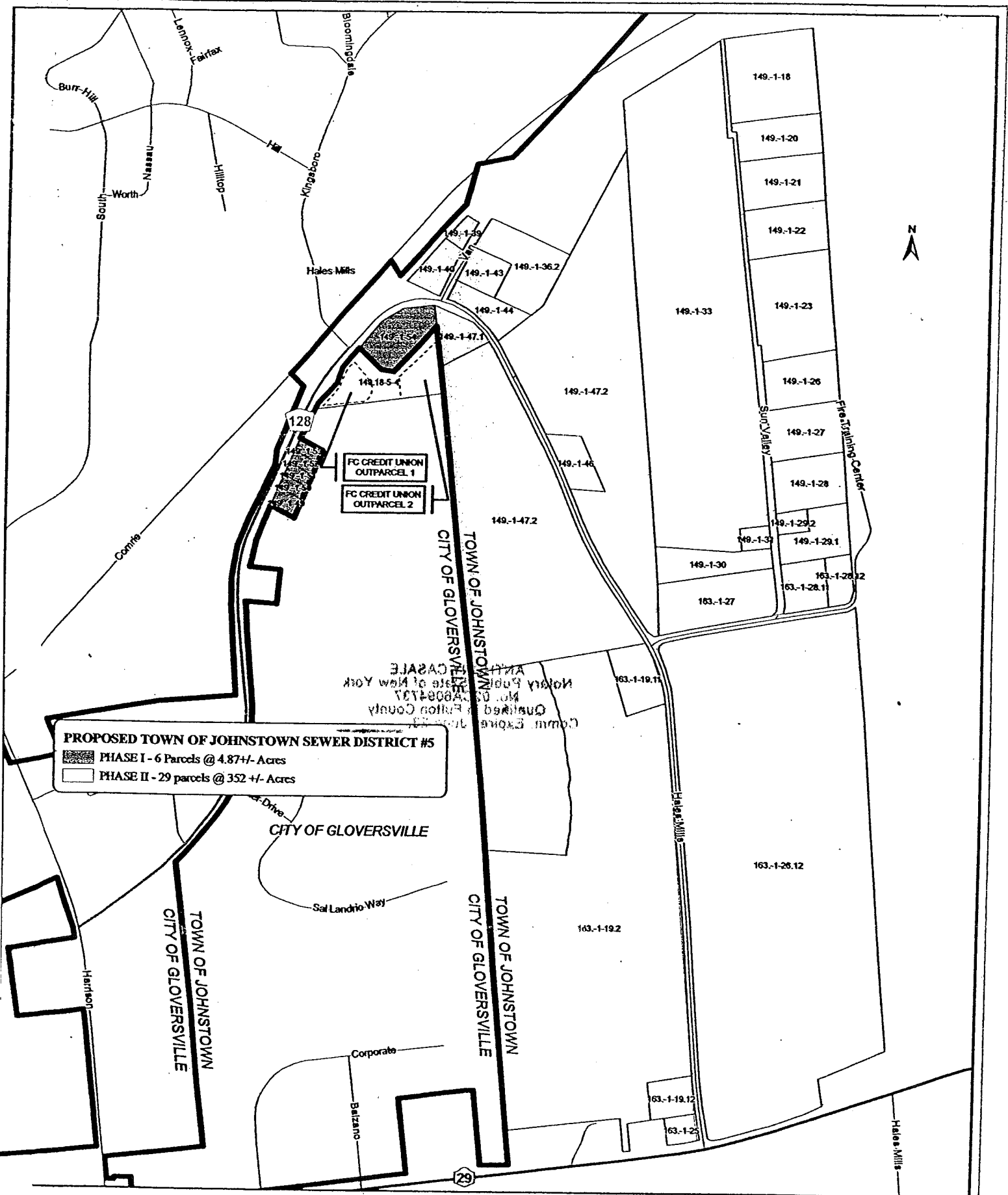
STATE OF NEW YORK)
COUNTY OF FULTON) ss.:

On this 15th day of Dec, 2011, before me personally came Sarah Slingerland, to me personally known, being by me duly sworn did depose and say that she resides at 8 Union Pl. Johnstown NY; that she is the Mayor of the City of Johnstown, New York, the municipal corporation described in and which executed the above instrument; that he knows the seal of said corporation; that the seal affixed to said Instrument is such corporate; that it was so affixed by order of the Common Council of the City of Johnstown and the she signed his name thereto by like order.

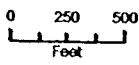
Susan Palmer Johnson
Notary Public

SUSAN PALMER JOHNSON
NOTARY PUBLIC, STATE OF NEW YORK
FULTON COUNTY
MY COMM. EXP December 31, 2013

2011 DEC 16 AM 9:11
FILED - CITY CLERK
GLOVERSVILLE, NY



PROPOSED TOWN OF JOHNSTOWN SEWER DISTRICT #5
PHASE I - 6 Parcels @ 4.87 +/- Acres
PHASE II - 29 parcels @ 352 +/- Acres



**PROPOSED TOWN OF JOHNSTOWN
SEWER DISTRICT #5
PHASES I & II**

County of Fulton
JAMES E. MRAZ, DIRECTOR
Location, definition and coverage of all features on this map
are represented and agreed based upon actual survey
conducted by a Licensed Land Surveyor,
TODD BENTON, PLS, License No. 115,000

STATE OF NEW YORK)
COUNTY OF FULTON) ss.:

On the 14th day of September, 1964, before me personally came PETER WILSON, to me known, who, being by me duly sworn, did depose and say that he resides in Johnstown, New York; that he is the Acting Mayor of the City of Johnstown, the municipal corporation described in and which executed the above instrument; that he knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Aldermen of said city, and that he signed his name thereto by like order.

George J. Jan
Notary Public, Fulton County, N. Y.
My commission expires March 30, 1965.

STATE OF NEW YORK)
COUNTY OF FULTON) ss.:

On the 14th day of September, 1964, before me personally came RICHARD H. HOOD, to me known, who, being by me duly sworn, did depose and say that he resides in Gloverville, New York; that he is the Mayor of the City of Gloverville, the municipal corporation described in and which executed the above instrument; that he knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Aldermen of said city, and that he signed his name thereto by like order.

Steadman J. Kingsbury
Notary Public, Fulton County, N. Y.
My commission expires March 30, 1965.

To be attached to and made a part of Resolution Intro R-11.

GLOVERSVILLE - JOHNSTOWN

SUPPLEMENTAL AGREEMENT TO JOINT SEWER CONTRACT

THIS AGREEMENT made this 7th day of March 1967 by and between the City of Gloversville a municipal corporation in the County of Fulton and State of New York, and the City of Johnstown a municipal corporation within the County of Fulton and State of New York,

W I T N E S S E T H:

WHEREAS the parties hereto have heretofore on May 22, 1964 entered into an agreement pursuant to Article 5-G of the General Municipal Law to construct a sewage disposal plant to meet the needs of both municipalities and to provide for the construction and maintenance thereof; and

WHEREAS the parties hereto have taken action under said agreement toward the construction of such a joint sewage treatment facility including but not limited to employing Morrell Vrooman Engineers to prepare preliminary plans and final plans for such facility, receiving advances from the Housing and Home Finance Agency for the planning of such facility and preparing a system of financing of such facility; and

WHEREAS the parties hereto have provided in their agreement of May 22, 1964 that a Sewer Board be formed and established to administer and conduct the operation and maintenance of the sewage treatment plant and the trunk line leading thereto; and

WHEREAS the Department of Health of the State of New York has urged the parties hereto to establish such an independent Sewer Board at the present time to perform the necessary work which must be completed prior to the completion of such joint sewage facility; and

WHEREAS the parties hereto have appointed members of a Sewer Board to plan, control, administer and supervise the construction of

such joint sewage facility and it is the desire of the parties hereto, by this agreement, to set forth the powers, duties and responsibilities of such Sewer Board during the planning and construction phases of this joint sewage facility;

NOW THEREFORE in consideration of the mutual covenants and agreements herein contained, and pursuant to Article 5-G of the General Municipal Law and as a supplement to the previous contract entered into between the parties hereto dated May 22, 1964, it is hereby agreed by and between the parties hereto as follows:

1. Parties hereto agree to form a Sewer Board to plan, supervise and coordinate with the Common Councils of the parties hereto during the planning and construction phases of the joint sewage treatment plant to be built and maintained by the parties hereto, and they reaffirm the appointments recently made to such a Sewer Board.

2. The membership of the Sewer Board shall consist of three members appointed by the Common Council of Gloversville and two members to be appointed by the Common Council of the City of Johnstown, each member to serve for a term of three years or until the joint sewer facility is operational, whichever event occurs.

3. The Sewer Board shall have the powers, duties and responsibilities conferred by this supplemental agreement until the sewer plant is built and ready for operation.

4. Said Sewer Board members shall serve without pay or any other compensation except that the ordinary and necessary expenses incurred in the performance of their duties shall be a proper expense and may be reimbursed.

5. The Sewer Board is hereby authorized to employ, appoint and establish the salaries of personnel which the Board feels is necessary to facilitate the planning and construction of the sewer treatment plant, including but not limited to secretarial help, an Attorney, Sanitary Engineer, an Administrative Fiscal Clerk, and a Clerk of the

Works to coordinate construction.

6. The Sewer Board shall be charged with the following duties and responsibilities:

(a) Coordination with and exercise supervision over Morrell Vrooman Engineers in conjunction with the respective Common Councils in the development of final plans for the sewer project and during the construction of the trunk line and joint sewage treatment facility.

(b) Consider and examine existing local legislation and prepare suggestions for a sewer use ordinance to the parties hereto.

(c) Consider and prepare suggestions to the parties hereto in regard to any necessary pretreatment requirements by users of the system; and if deemed necessary by the parties hereto to negotiate contractual agreements with all waste sources as to pretreatment requirements.

(d) Make recommendations to the parties hereto in regard to sewer use rates and charges including a surcharge formula, if necessary, including preparation of a proposed ordinance or ordinances to be adopted by the parties hereto.

(e) Establish the operating organization to run the joint sewage treatment system when completed including the establishment of job requirements for all employees to be hired and the hiring of all necessary personnel to operate the completed system.

X (f) Examine the proposed method of disposing of the wastes to be created by the sewer system and make recommendations to the parties hereto.

(g) Coordinate with the State of New York Department of Health in regard to all phases of the joint sewer treatment facility.

(h) Prepare for approval by the respective Common Councils of the parties hereto all applications for State and/or Federal grants or advances and to coordinate on behalf of the parties hereto with

all necessary State and/or Federal agencies.

(i) Report to the respective Common Councils of the parties hereto upon request or at such other times as the Sewer Board deems necessary concerning the progress of the planning and construction of the joint sewer treatment facility.

(j) Establish for approval of the parties hereto the method for measuring the flow of sewage within the joint sewer system in order that operating costs can be properly and fairly divided between the parties hereto.

(k) Determine a method under which solid content of the sewage within the system shall be correlated with liquid flow to determine the joint operational cost of the system and division thereof between the parties hereto.

(l) Make recommendations to the parties hereto on methods to collect sewer charges.

(m) Determine the estimated annual cost of operation of the joint sewage plant at the earliest possible time.

(n) Develop regulations to govern the joint sewer system.

(o) Supervise the financial program already developed and coordinate with the Marine Midland Trust Company of Upstate New York, financial consultants; Sykes, Galloway and Dikeman, Bonding Counsel for the parties hereto; and the Chamberlain of the City of Gloversville, the fiscal officer of the project.

7. Parties hereto agree that the Chamberlain of the City of Gloversville shall be the fiscal officer for the parties hereto during the planning and construction phase of the joint sewer treatment facility and shall supervise the functions of the Administrative Fiscal Clerk appointed by the Sewer Board.

8. The parties hereto agree that they will defray all of the necessary expenses of the Sewer Board in performing the duties

set forth above from either current funds or money obtained in the financing of this joint sewer project, including necessary office space and office equipment for the Sewer Board on the following basis:
City of Gloversville 55% thereof, City of Johnstown 45% thereof.

IN WITNESS WHEREOF the parties hereto have caused this agreement to be executed by their duly authorized officers and sealed with their corporate seals the day and the year first above mentioned.

Attest:

City Clerk
City of Gloversville

Attest:

City Clerk
City of Johnstown

CITY OF GLOVERSVILLE

By _____

Richard H. Hood, Mayor
City of Gloversville, New York

CITY OF JOHNSTOWN

By _____

Peter S. Wilson, Mayor
City of Johnstown, New York

STATE OF NEW YORK)
COUNTY OF FULTON) SS.:
CITY OF GLOVERSVILLE)

On this day of March, Nineteen Hundred and Sixty Seven before me personally appeared RICHARD H. HOOD, to me personally known who being by me duly sworn, did depose and say that he resides in the City of Gloversville, N.Y., that he is the Mayor of the CITY OF GLOVERSVILLE, the corporation described in and which executed the foregoing instrument; that he knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Common Council of the City of Gloversville by a three-fourths vote of the voting strength thereof and that he signed his name thereto by like order.

Notary Public - Fulton County - New York
My Commission expires March 30, 196

STATE OF NEW YORK)
COUNTY OF FULTON) SS.:
CITY OF JOHNSTOWN)

On this day of March, Nineteen Hundred and Sixty Seven, before me personally appeared who being by me duly sworn, did depose and say that he resides in the City of Johnstown, N.Y.; that he is the Mayor of the CITY OF JOHNSTOWN, the corporation described in and which executed the foregoing Instrument; that he knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Common Council of the City of Johnstown by a three-fourths vote of the voting strength thereof and that he signed his name thereto by like order.

Notary Public - Fulton County - New York
My Commission expires March 30, 196

GLOVERSVILLE - JOHNSTOWN

SUPPLEMENTAL AGREEMENT TO JOINT SEWER CONTRACT

THIS AGREEMENT made this 14th day of July, 1967
by and between the City of Gloversville a municipal corporation
in the County of Fulton and State of New York, and the City of
Johnstown, a municipal corporation within the County of Fulton
and State of New York,

W I T N E S S E T H:

WHEREAS the parties hereto have heretofore on May 23, 1964
entered into an agreement pursuant to Article 5-G of the General
Municipal Law to construct a sewage disposal plant to meet the
needs of both municipalities and to provide for the construction
and maintenance thereof; and

WHEREAS, said agreement provides that capital costs are to
be allocated, borne and paid by the respective municipalities on
the following proportions, viz. Gloversville 55% and Johnstown
45%, and

WHEREAS, said agreement provides in Section 7 thereof for
certain credits to be received by the respective parties towards
its share of the capital costs, and

WHEREAS, it is deemed advisable at this time for the parties
to settle and agree on said credits which have been ascertained
and agreed upon,

NOW THEREFORE in consideration of the mutual covenants and
agreements herein contained, and pursuant to Article 5-G of the
General Municipal Law and as a supplement to the previous con-
tract entered into between the parties hereto dated May 22, 1964,
it is hereby agreed by and between the parties hereto as follows:

1. That the City of Johnstown is entitled to receive for
the land and site development of the proposed site of the joint
sewage disposal plant the sum of \$11,243.30 representing 55% of
the cost of \$20,442.38 as represented by the annexed Exhibits
attached hereto and made a part hereof. That the City of John-
stown further acknowledges receipt of said sum from the City of
Gloversville on or about June 22, 1967.
2. That the City of Johnstown credits for trunk line right
of way acquisition costs shall await ascertainment upon completion
of acquisition of all required rights of way.
3. That the City of Johnstown shall receive credit adjust-
ment for its share of capital cost for the cost of so much of
the trunk line from Gloversville City Line as has been already
constructed under its own (A.P.W. N.Y. 76G) sewer improvement

program in the amount of \$94,130.21 representing 55% of the total cost of \$171,141.43 as shown on the annexed Exhibits.

4. That the City of Gloversville shall receive credit adjustment for the cost of certain engineering services consisting of studies and reports made by Maxwell Vrooman Engineers as shown by annexed Exhibits, in the amount of \$3,423.05 as follows:

	Paid By Gloversville	To be Paid by Johnstown	Amount
Study of Joint Sewage Treatment plant facilities, dated December 20, 1961	\$2,500.00	50%	\$1,250.00
Report on sewage treatment plant for the City of Gloversville, Section I-Industrial Wastes, dated April 6, 1959	3,322.00	43%	1,426.05
Special report on sewer system improvements, Project No. APW-NY-189, dated March 3, 1964 (planning sewer line between Gloversville disposal plant and Superior Avenue sewer in Johnstown (proportional charge only). Note: This is part of an APW project with total cost \$3,000 less \$1,000 (50% grant)	1,500.00	45%	675.00
Total owed by Johnstown to Gloversville			\$3,423.05

5. That City of Gloversville credits for any equipment or personal property that may be transferred from the Gloversville Sewage Disposal Plant to the new plant, and for land and rights of way from Gloversville Plant to Gloversville City Line which it has or may acquire shall await future ascertainment.

6. That the respective credits and debits as herein settled are as follows:

Johnstown Credits

Trunk Line (paragraph (3))	\$94,130.21
Site Acquisition (paragraph (1))	11,243.30
	<u>\$105,373.51</u>
Less paid by Gloversville	12,243.30
Balance	<u>\$93,130.21</u>

Gloversville Credits

Johnstown Credit (Gloversville Debit)	\$3,423.05
	<u>\$90,707.16</u>

7. That the City Chamberlains of the two cities shall respectively set up their accounts accordingly as set forth above.

IN WITNESS WHEREOF the parties hereto have caused this agreement to be executed by their duly authorized officers and sealed with their corporate seals the day and the year first above mentioned.

Attest:

Stanley A. Kingsbury
City Clerk
City of Gloversville

CITY OF GLOVERSVILLE

By Richard H. Hood
Richard H. Hood, Mayor
City of Gloversville, New York

Attest:

Harvey McLaughlin
City Clerk
City of Johnstown

CITY OF JOHNSTOWN

By Peter S. Wilson
Peter S. Wilson, Mayor
City of Johnstown, New York

STATE OF NEW YORK
COUNTY OF FULTON : S.S.:
CITY OF GLOVERSVILLE:

On this 14th day of July, Nineteen Hundred and Sixty-seven before me personally appeared RICHARD H. HOOD, to me personally known who being by me duly sworn, did depose and say that he resides in the City of Gloversville, N. Y., that he is the Mayor of the CITY OF GLOVERSVILLE, the corporation described in and which executed the foregoing instrument; that he knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Common Council of the City of Gloversville by a three-fourths vote of the voting strength thereof and that he signed his name thereto by like order.

Stanley A. Kingsbury
Notary Public-Fulton County, N.Y.
My commission expires March 30,
1967

STATE OF NEW YORK):
COUNTY OF FULTON : S.S.:
CITY OF JOHNSTOWN :

On this 14th day of July, Nineteen Hundred and Sixty-seven, before me personally appeared PETER S. WILSON, to me personally known who being by me duly sworn, did depose and say that he resides in the City of Johnstown, N. Y.; that he is the Mayor of the CITY OF JOHNSTOWN, the corporation described in and which executed the foregoing instrument; that he knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Common Council of the City of Johnstown by a three-fourths vote of the voting strength thereof and that he signed his name thereto by like order.

CONSTANCE L. McNICHOLAS
Notary Public, State of N. Y.
Resides in Fulton Co
COMMISSION EXPIRES MARCH 30, 1968

Constance L. McNicholas
Notary Public-Fulton County, N.Y.
My commission expires March 30,
1968

This AGREEMENT, dated this 17th day of October, 1973,
by and between the CITY OF GLOVERSVILLE, a municipal corporation
of the County of Fulton and State of New York, and the CITY OF
JOHNSTOWN, a municipal corporation of the County of Fulton and
State of New York.

W I T N E S S E T H :

WHEREAS, the parties hereto have constructed a joint sewage
treatment facility, and

WHEREAS, said facility is in full operation, and

WHEREAS, it is agreed that the City Chamberlain of the City
of Gloversville, or his successor in office, shall be designated
as the operating fiscal officer of the Sewer Board, and

WHEREAS, the parties hereto have agreed on a formula to
compute the shares of the respective parties for the services and
expenses of the Gloversville City Chamberlain,

NOW, THEREFORE, in consideration of the Mutual Convenience
and Agreements herein contained, it is hereby agreed by and
between the parties hereto, as follows:

That the formula to compute the respective shares of the
parties for the services of the Gloversville City Chamberlain is
as follows:

Total Budget Joint Sewer Board				
Total Budget of the City of Gloversville	X	The Gloversville City Chamberlain Budget	=	Total Value of Services

The total value of services is to be allocated between the
parties on a basis of 55% for the City of Gloversville and 45% for
the City of Johnstown, as contained in Section 10 of the contract
dated May 22, 1964, between the parties, and is to be further
allocated on the basis of any recalculations thereof pursuant to
said Section 10.

Said reimbursement to commence with the fiscal year 1974
of the two cities and Joint Sewer Board.

IN WITNESS WHEREOF, the parties hereto have caused this
Agreement to be executed by their duly authorized officers and
sealed with their corporate seals the day and year first above
mentioned.

Attest:

Mario S. Balzano
City Clerk
City of Gloversville

CITY OF GLOVERSVILLE

By:

Robert P. Best
Robert P. Best, Mayor

Attest:

Harvey M. Mansfield
City Clerk
City of Johnstown

CITY OF JOHNSTOWN

By:

Peter S. Wilson
Peter S. Wilson, Mayor

STATE OF NEW YORK }
COUNTY OF FULTON } SS.:
CITY OF GLOVERSVILLE }

On this 17th day of October, 1973, before me personally appeared ROBERT P. BEST, to me personally known, who being by me duly sworn, did depose and say that he resides in the City of Gloversville, New York, that he is the Mayor of the CITY OF GLOVERSVILLE, the corporation described in and which executed the foregoing Instrument; that he knows the seal of said corporation; that the seal affixed to said Instrument is such corporate seal; that it was so affixed by order of the Common Council of the City of Gloversville by a three-fourths vote of the voting strength thereof and that he signed his name thereto by like order.

RUTH R. FRANK
Notary Public in the State of New York
Fulton County
My commission expires March 30, 1974

Ruth R. Frank
Notary Public, Fulton County, N.Y.
My commission expires March 30, 1974

STATE OF NEW YORK }
COUNTY OF FULTON } SS.:
CITY OF JOHNSTOWN }

On this 12th day of ^{NOVEMBER} ~~October~~, 1973, before me personally appeared PETER S. WILSON, to me personally known, who being by me duly sworn, did depose and say that he resides in the City of Johnstown, New York, that he is the Mayor of the CITY OF JOHNSTOWN, the corporation described in and which executed the foregoing Instrument; that he knows the seal of said corporation; that the seal affixed to said Instrument is such corporate seal; that it was so affixed by order of the Common Council of the City of Johnstown by a three-fourths vote of the voting strength thereof and that he signed his name thereto by like order.

CONSTANCE L. McNICHOLAS
Notary Public, State of N. Y.
18-7872360
Resides in Fulton Co.
COMMISSION EXPIRES MARCH 30, 1974

Constance L. McNicholas
Notary Public, Fulton County, N.Y.
My commission expires March 30, 1974

11/12/73

RESOLUTION NO. 145, 1973

Alderman Osusky presented the following Resolution and moved its adoption:

WHEREAS, the City of Gloversville and the City of Johnstown are presently engaged in a joint sewerage treatment facility operation, and

WHEREAS, it is necessary that the respective cities agree that the City Chamberlain of the City of Gloversville be designated as the operating fiscal officer, and

WHEREAS, the respective cities have agreed to a formula for the reimbursement for the services and expenses of the Gloversville City Chamberlain,

NOW, THEREFORE, Be It

RESOLVED, that the Common Council of the City of Johnstown does hereby approve the proposed agreement (as amended to be effective for the 1974 fiscal year) between the City of Gloversville and the City of Johnstown, a copy of which is attached hereto, hereby referred to and made a part hereof, and be it further

RESOLVED, that the Mayor is hereby authorized and directed to execute said agreement with the City of Gloversville.

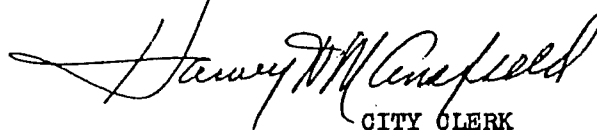
Seconded by Alderman Grecco (carried)

STATE OF NEW YORK)
County of Fulton }
City of Johnstown }

OFFICE OF CITY CLERK: ss.:

I, Harvey Mansfield, City Clerk of
the City of Johnstown, N.Y., do hereby certify that I have
compared the foregoing Resolution with
the original as adopted by the Common Council of said city,
at an adjourned regular meeting thereof held on the
12th day of November, 1973 and approved by Mayor
Peter S. Wilson on the 13th day of
November, 1973 and now on file in this office
and that the same is a correct transcript therefrom and of
the whole of said original.

IN WITNESS WHEREOF, I have hereunto set
my hand and affixed the corporate seal
of the City of Johnstown, N.Y., this
13th day of November, 1973


CITY CLERK

S E A L

Appendix A:

2004 Agreement between the City of Johnstown and Fulton County by which the City of Johnstown supplies the Fulton County Water District #1 with potable water.

WATER SUPPLY AGREEMENT

Revised 12/01/04

This Agreement, made the 15th day of December 2004, by and between the **City of Johnstown**, New York, a Municipal Corporation organized under the laws of the State of New York and located in Fulton County and having its offices at 33-41 East Main Street, Johnstown, New York 12095, hereinafter designated as the "**CITY**," and the **County of Fulton**, New York, also a Municipal Corporation organized under the laws of the State of New York and located in Fulton County and having its offices at 223 West Main Street, Johnstown, New York 12095, which is acting on behalf of Fulton County Water District No. 1, hereinafter collectively designated as the "**COUNTY**."

Witnesseth:

WHEREAS, the **CITY** owns a water supply and distribution system designed and built to meet all pertinent standards, rules, regulations and other requirements of the New York State Department of Health; and

WHEREAS, the **CITY** is authorized under New York State General Municipal Law Article 5-C, to enter into a contract for the sale of water to the **COUNTY**; and

WHEREAS, pursuant to the Johnstown City Charter § 6.5, the Johnstown Common Council has the authority to sell municipal water outside the **CITY**; and

WHEREAS, the **COUNTY** intends to create Fulton County Water District No. 1 and to supply certain entities with water service within said District; and

WHEREAS, the **COUNTY** further intends to construct a water supply line along New York State Route 67 in the County of Fulton to serve the proposed Fulton County Water District No. 1 and the **COUNTY** desires to purchase water from the **CITY** to supply said water district; and

WHEREAS, it is now desired by both the **CITY** and the **COUNTY** to enter into a Inter-Municipal Agreement pursuant to the provisions of General Municipal Law Article 5-C and General City Law § 19 of the State of New York to effect the proposals described herein.

NOW, THEREFORE, it is hereby mutually agreed by and between the **CITY** and the **COUNTY** as follows:

1. **SALE OF WATER:**

The City hereby agrees to sell water to the County for the supply of water service to certain limited entities/customers located within the proposed Fulton County Water District No. 1. Said Water District is more fully described as contained in the site plan prepared by Fraser and Associates consulting engineers, dated 2003. Said site plan is attached hereto and incorporated by reference (See Exhibits A, B1, B2 and C).

2. **LIMITED ENTITIES/CUSTOMERS ENTITLED TO RECEIVE WATER:**

The entities/customers which may connect to water service are limited to the current Fulton County Airport facilities, Fulton-Montgomery Community College and the proposed HFM BOCES project which is to be located within Fulton County Water District No. 1.

Water connections to the Fulton County Airport facilities shall be limited to only buildings or structures in existence as of the date of this agreement. Any future development or new buildings located in the Water District shall require the approval and express written consent of the Johnstown Common Council in order to connect to water service.

Water service may also be supplied to the existing Campus Green Apartments which serve exclusively as residences for college students and are located adjacent to the Fulton Montgomery Community College so long as those apartments continue to serve the college in that capacity.

3. **GEOGRAPHICAL BOUNDARIES OF WATER DISTRICT:**

Notwithstanding the geographical configuration of Fulton County Water District No. 1, the City of Johnstown agrees to supply water only to those aforementioned entities/customers located within Fulton County Water District No. 1, as described in the site plan prepared by Fraser and Associates consulting engineers, dated June 2003 attached hereto as Exhibits A, B1, B2 and C. No other entities/customers shall be permitted to connect to water service without the approval of, and the express written consent of the Johnstown Common Council.

4. **LIST OF ENTITIES RECEIVING WATER:**

On an annual basis, the County and the Fulton County Water District No. 1 shall furnish City officials with a written statement indicating all entities/customers receiving water within the Water District and any and all water connections in the Water District. Said statement shall include the name of all entities to which water connections have been made and the nature and extent of each entity's water use. Furthermore, the City shall be entitled to receive an additional updated statement at any time, upon request to the County and/or Water District No. 1.

5. **INSPECTIONS:**

The records of Fulton County Water District No. 1 shall be open for inspection by officers and representatives of the City of Johnstown during regular business hours and upon reasonable notice to County and/or Water District officials. City officers or their representatives may inspect any and all service and connections in the Water District in order to verify the nature and extent of the use of the water provided. All costs associated with inspections shall be the responsibility of the City.

6. LIMITATION ON AMOUNT OF WATER TO BE SUPPLIED:

The City shall supply water to the County and Fulton County Water District No. 1, in an amount not to exceed 40,000 (forty thousand) gallons per day on a 30 day average, except under emergency circumstances and conditions. For purposes of this agreement, emergency circumstances and conditions shall be defined as any circumstances or conditions outside the control of the City, such as an act of God and/or acts of third parties.

If the City is unable to furnish such quantity of water because of conditions or limitations beyond its reasonable control, the City shall furnish said quantity of water as it is able. The City shall have no responsibility or liability to the County or Fulton County Water District No. 1 or to any entities/customers receiving water as a result of any limitation on the quantity of water supplied as a result of emergency circumstances or conditions and not resulting from the willful negligence of the City.

If the City is unable to supply the quantity of water as herein provided, the City shall notify the County in writing, stating the reason why said quantity of water cannot be supplied and including an estimated time when the agreed quantity will be resumed. The City reserves the right to increase the quantity of water supplied in the future to the County and Fulton County Water District No. 1.

7. NO RESALE OF WATER:

The County and/or Fulton County Water District No. 1 may not provide water to any entities/customers other than those specific entities/customers entitled to receive water under this contract without the approval of, and the express written consent of the Johnstown Common Council.

The exclusive exception shall be Fulton-Montgomery Community College and the currently existing Campus Green Apartments. It is the understanding of the parties that said apartments are used exclusively for student housing and are currently provided with water purchased from Fulton Montgomery Community College. This arrangement shall continue so long as the Campus

Green Apartments continue to be used exclusively for student housing.

The water rate charged to the Campus Green Apartments shall not exceed the rate charged to the other entities/customers receiving water under this agreement.

8. MAINTENANCE OF INFRASTRUCTURE:

All infrastructure related to the Route 67 water line, shall be owned entirely by Fulton County and/or Fulton County Water District No. 1. Within 90 (ninety) days of this agreement, the County shall enter into an agreement with the City of Johnstown Water Board to provide maintenance service for water district infrastructure. Terms and conditions of that maintenance agreement shall be the subject of that separate agreement.

Should Fulton County or Fulton County Water District No. 1 officials permit any persons other than the City of Johnstown Water Department Personnel to perform maintenance work on any infrastructure related to the water lines serving Fulton County Water District No. 1, all maintenance work shall be subject to inspection by, and completed in accordance with, the maintenance standards and practices of the Johnstown Water Board.

9. INDEMNIFICATION:

The County and Fulton County Water District No. 1 will indemnify and hold the City harmless for all causes of action, lawsuits, judgments, claims or damages arising from the use of the water to be supplied under this agreement. Furthermore, the City shall have no liability to the County of Fulton, Fulton County Water District No. 1 or any entities/customers receiving water in the district for any loss or damage caused by the failure of the City's water supply system and/or the use of the water to be supplied under this agreement.

10. COSTS AND BILLING:

The billing cycle for water shall be determined by, and in accordance with, the general practices of the Johnstown Water Board. The rate and cost of the water shall be two-times the rate charged to Johnstown residential customers. Water bills shall be sent out on a monthly basis. Should the County and/or Water District No. 1 default on payment of the water bill, water service is subject to shut-off procedure upon notice and in accordance with the policies and practices of the Johnstown Water Board.

11. REAL PROPERTY TAX EXEMPTION

In consideration of the mutual covenants herein, the County shall grant a fifty-percent property tax exemption for all City of Johnstown Watershed Property located outside of the corporate limits of the City of Johnstown. This tax exemption shall be for the duration of this agreement and be pursuant to New York State Real Property Tax Law § 406(3). The exemption shall apply to all City of Johnstown real property and any improvements thereon located outside the City's corporate limits and used for a water plant, pumping station, water treatment plant, watershed or reservoir, including all necessary connections and appurtenances. Said exemption shall be from real property taxes and any special ad valorem levies and special assessments pursuant to New York State Real Property Tax Law. A list of all parcels owned by the City of Johnstown and used for the aforementioned purposes are attached hereto as Exhibit D.

12. TERM OF THIS AGREEMENT:

The term of this agreement shall be thirty (30) years. This agreement shall be effective as of January 1, 2005 and terminate on December 31, 2034.

IN, WITNESS WHEREOF, the City of Johnstown has caused its corporate seal to be affixed hereunto, and these presents to be signed by Robert F. Schultz, as Mayor, duly authorized to do so, and the County of Fulton acting for itself and on behalf of Fulton County Water District No. 1, to be signed by the Chairman of the Board of Supervisors, duly authorized to do so.

CITY OF JOHNSTOWN

By: Robert F. Schultz
Robert F. Schultz, Mayor of the City of Johnstown

COUNTY OF FULTON

By: Michael F. Gendron
Michael F. Gendron, Chairman of the Board of Supervisors

STATE OF NEW YORK)
COUNTY OF FULTON)ss.


On this 15th day of December, 2004, before me, the subscriber, personally appeared ROBERT F. SCHULTZ, who, being by me duly sworn, deposes and says: That he is the Mayor of the City of Johnstown, the municipal subdivision of the State of New York named in and which executed the above and within Instrument; that he knows the seal of said City of Johnstown and that the seal affixed to said Instrument is the seal of the City of Johnstown; that it was so affixed by the order of the Common Council of the City of Johnstown, and that he signed his name thereto by like order;

Sally Kettler
NOTARY PUBLIC

SALLY KETTLER, NOTARY PUBLIC
N.Y. STATE, FULTON CO.
#4706327
MY COMM. EXPIRES ON APRIL 30, 20 07

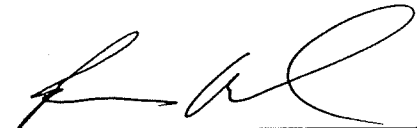
STATE OF NEW YORK)
COUNTY OF FULTON)ss.

On this 15th day of December, 2004, before me, the subscriber, personally appeared MICHAEL F. GENDRON, who, being by me duly sworn, deposes and says: That he is the Chairman of the Board of Supervisors of the County of Fulton, the municipal subdivision of the State of New York named in and which executed the above and within Instrument; that he knows the seal of said County of Fulton and that the seal affixed to said Instrument is the seal of the County of Fulton; that it was so affixed by the order of the Board of Supervisors of the County of Fulton, and that he signed his name thereto by like order;

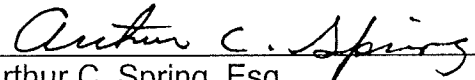


NOTARY PUBLIC

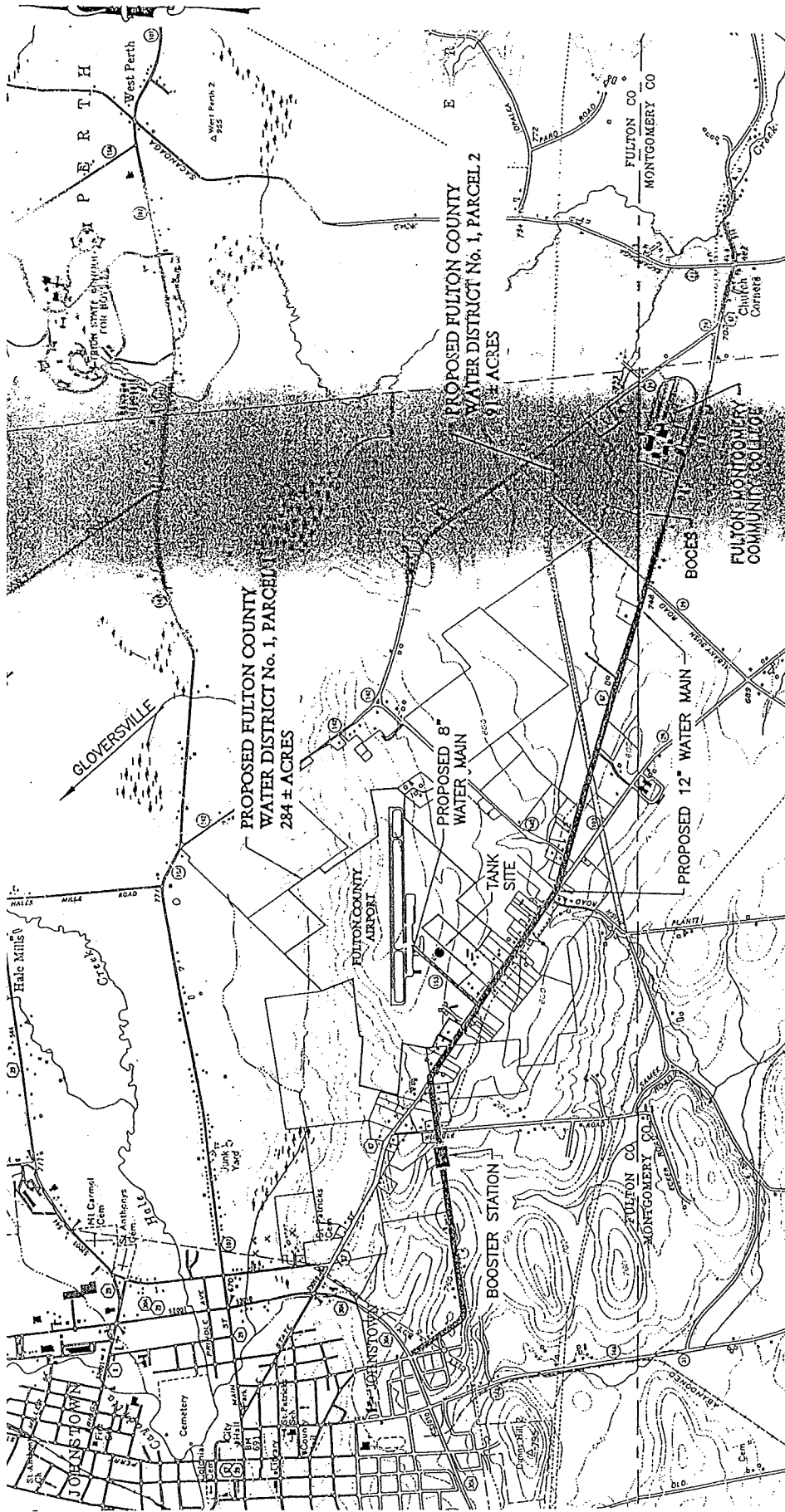
SALLY KETTLER, NOTARY PUBLIC
N.Y. STATE, FULTON CO.
#4706327
MY COMM. EXPIRES ON APRIL 30, 20 07



Brian J. Toal, Esq.
City Attorney



Arthur C. Spring, Esq.
County Attorney



PROJECT 2003 J. KENNETH FRASER AND ASSOCIATES, P.E. L.S. L.A. P.C. Unpublished information or addition to this document is a violation of Section 7208, Subdivision 2 of the New York State Education Law.

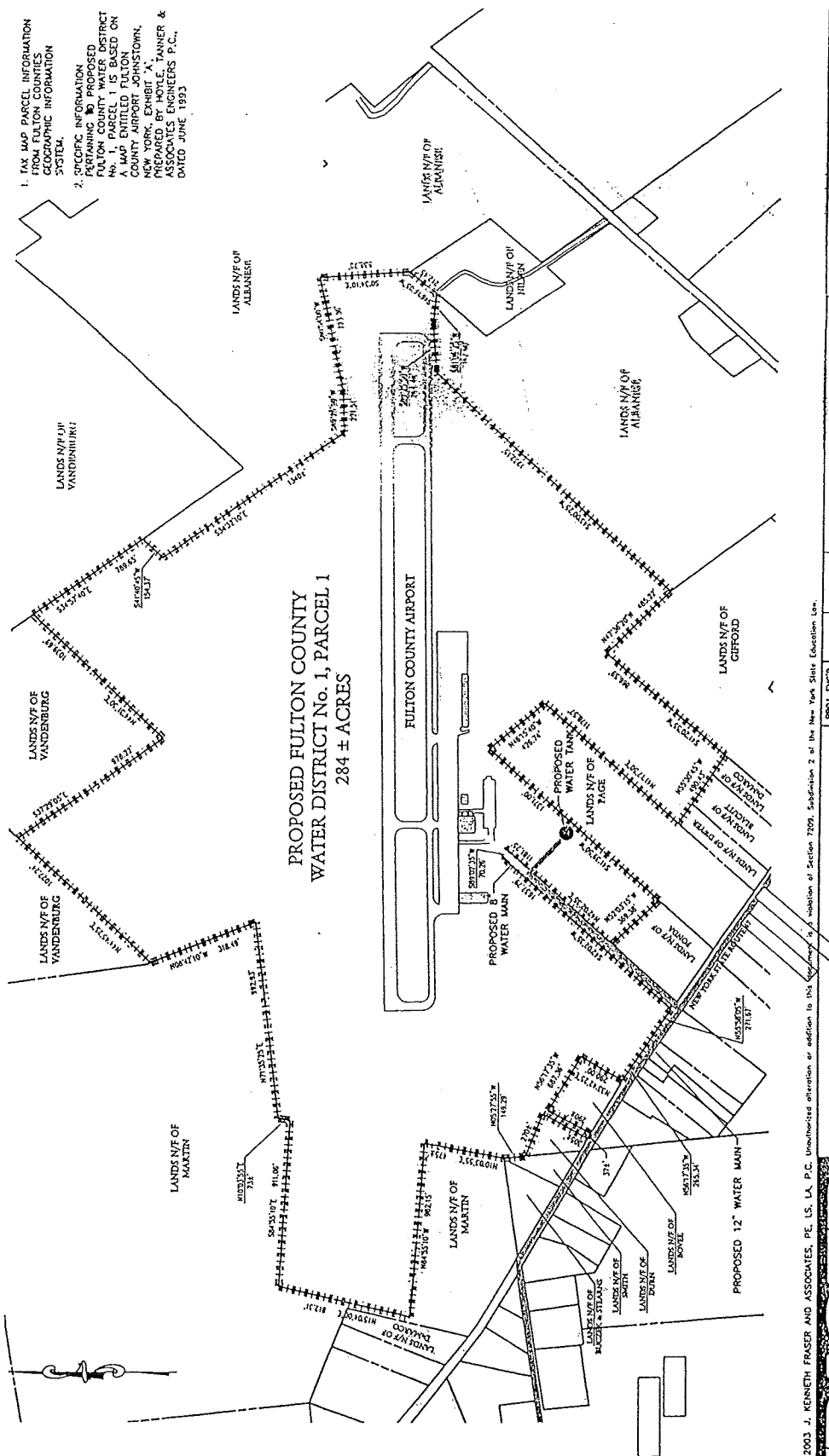
FRASER

Insulating Engineers • Land Surveyors •
Landscape Architects • Planners

Kenneth Fraser and Associates, P.E. L.S. L.A. P.C.
193 Street, Berington, NY 12014 • Tel: 518-493-4100 Fax: 518-493-4741

PROPOSED FULTON COUNTY WATER DISTRICT No. 1 FULTON COUNTY, NEW YORK				OVERALL SITE PLAN			
PROJ. ENGR	JKF			SHEET TITLE:	OVERALL SITE PLAN	PROJECT NO:	2171.005
DRAWN BY:	MES			DATE:	1-2007	DATE:	JUNE, 2003
CHECKED BY:	JKF			ISSUE BLOCK		DATE:	JUNE, 2003
PROPOSED 8" WATER MAIN				EXHIBIT			
PROPOSED 12" WATER MAIN							

1. TAX MAP PARCEL INFORMATION FROM FULTON COUNTIES GEOGRAPHIC INFORMATION SYSTEM.
2. SPECIFIC INFORMATION PERTAINING TO PROPOSED FULTON COUNTY WATER DISTRICT NO. 1, PARCEL 1, AS SHOWN ON A MAP ENTITLED "FULTON COUNTY AIRPORT JOINTOWN, NEW YORK, EXHIBIT 'A', PREPARED BY HOTEL, TANNER & ASSOCIATES ENGINEERS P.C., DATED JUNE, 1993.



PROPOSED FULTON COUNTY
WATER DISTRICT No. 1, PARCEL 1
284 ± ACRES

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FRASER

Consulting Engineers & Land Surveyors
Landscape Architects & Planners

J. Kenneth Fraser and Associates, P.E., L.S., L.A., P.C.
21 Park Street, New York, NY 10003-1114 • Tel: 312-463-4400 Fax: 312-472-2741

Subdivision of Section 7009, Subdivision 2 of the New York State Education Law.

PROJ. ENGR		JKE	
DRAWN BY		MES	
CHECKED BY		JKE	
MARK	DATE	DESCRIPTION	ISSUE BLOCK
<p>PROPOSED FULTON COUNTY WATER DISTRICT NO. FULTON COUNTY, NEW YORK</p>			
SHEET TITLE		PROJECT NO. 2111.000	
DATE: JUNE, 2003		DATE: JUNE, 2003	

-

FRASER
Consulting Engineers • Land Surveyors
Architects • Planners

Michael Fraser and Associates, P.E.s, L.P.C.
12114 • Tel: 514-415-4400 Fax: 438-6291
Steele, Brossard, QC J3V 2K4

[illegible]

EXHIBIT C
SUGGESTED DESCRIPTION OF
PROPOSED FULTON COUNTY
WATER DISTRICT NO. 1

PARCEL 1

Beginning at a point in the northerly boundary of NYS Route 67, said point being the intersection of the westerly boundary of County Road 153 with the aforesaid northerly boundary of Route 67, said point also lying in the southern boundary of lands of Fulton County as shown on a map entitled "Fulton County Airport, Johnstown, New York, Exhibit A", prepared by Hoyle, Tanner & Associates Engineers, P.C., dated June 1993; thence in a clockwise direction along the boundary of said property of Fulton County Airport, the following courses and distances:

N 55° - 58' - 05" W, 271.67 feet, to a point,
N 56° - 17' - 35" W, 265.34 feet, to a point,
N 33° - 42' - 25" E, 290 feet, to a point,
N 56° - 17' - 35" W, 687.36 feet, to a point,
Southwesterly, 290 feet, more or less, to a point,
Northwesterly, 37 feet, more or less, to a point,
Northeasterly, 305 feet, more or less, to a point.
Westerly, 270 feet, more or less, to a point,
N 05° - 27' - 55" W, 149.29 feet, to a point,
N 10° - 03' - 55" E, 475 feet, more or less, to a point,
N 84° - 55' - 10" W, 982.15 feet, to a point,
N 15° - 04' - 00" E, 812.31 feet, to a point,
S 84° - 55' - 10" E, 911.06 feet, to a point,
N 10° - 03' - 55" E, 73 feet, more or less, to a point,
N 71° - 35' - 25" E, 992.93 feet, to a point,
N 08° - 42' - 10" W, 318.49 feet, to a point,

said point lying in the easterly boundary of lands now or formerly of Martin, at its point of intersection with the southerly boundary of lands now or formerly of Vandenburg; thence continuing in a clockwise direction around the boundary of lands of the Fulton County Airport, the following courses and distances:

N 44° - 45' - 25" E, 1,027.24 feet, to a point,
S 37° - 29' - 05" E, 978.22 feet, to a point,
N 44° - 31' - 30" E, 1,039.69 feet, to a point,
S 34° - 57' - 40" E, 789.65 feet, to a point,
S 41° - 40' - 45" W, 154.37 feet, to a point,
S 34° - 32' - 10" E, 1,340 feet, more or less, to a point,
S 89° - 25' - 50" W, 221.51 feet, to a point,
S 80° - 54' - 00" W, 723.36 feet, to a point,
S 00° - 34' - 10" E, 538.70 feet, to a point,
S 46° - 16' - 05" W, 212.45 feet, to a point,
S 81° - 06' - 25" W, 162.60 feet, to a point,
S 89° - 25' - 50" W, 264.48 feet, to a point,
S 43° - 00' - 25" W, 1,932.15 feet, to a point,
N 47° - 36' - 20" W, 485.22 feet, to a point,
S 41° - 20' - 55" W, 866.59 feet, to a point,

said point being the northeasterly corner of lands now or formerly of DeMarco; thence in a clockwise direction along the boundaries of said Fulton County Airport the following courses and distances:

N 55° - 30' - 45" W, 490.43 feet, to a point,
N 41° - 17' - 50" E, 1,178.57 feet, to a point,
N 46° - 15' - 40" W, 426.74 feet, to a point,
S 41° - 39' - 50" W, 1,371.00 feet, to a point,
N 52° - 03' - 15" W, 369.38 feet, to a point,
N 42° - 02' - 35" E, 1,181.25 feet, to a point,
S 89° - 02' - 35" W, 70.26 feet, to a point,
S 42° - 02' - 35" W, 1,637.79 feet, to a point,

said point lying on the northerly boundary of NYS Route 67 and also being the point and place of beginning, containing 284 acres, more or less.

PARCEL 2

Beginning at a point in the southwesterly boundary of Fulton County Route 142, said point also lying in the northeasterly boundary of lands, now or formerly of Fulton Montgomery Community College, said point also lying on the common boundary between Fulton County and Montgomery County, as shown on a map entitled "Survey of Lands of Fulton-Montgomery Community College", prepared by Major & Salomon Land Surveyors, dated November 17, 1995; thence in a westerly direction along the aforesaid common boundary between Fulton County and Montgomery County a distance of 3,819 feet more or less to its point of intersection with the common boundary of lands now or formerly of Marotta to the west and Fulton Montgomery Community College on the east; thence along the westerly boundary of lands of Fulton Montgomery Community College, N 42° - 27' - 52" E, 2,354 feet, more or less, to its point of intersection with the southerly boundary of lands, now or formerly of Niagara Mohawk Power Corporation; thence S 88° - 07' - 56" E, along the southerly boundary of said Niagara Mohawk Power Corporation, 982.70 feet to a point in the southwesterly boundary of Fulton County Route 142; thence S 35° - 46' - 08" E, along said southwesterly boundary of Fulton County Route 142, 854.68 feet to a point; thence S 54° - 13' - 52" W, 395.00 feet to a point; thence S 35° - 39' - 08" E 499.70 feet to a point; thence N 54° - 13' - 52" E, 385.00 feet, to a point in the southwesterly boundary of Fulton County Route 142; thence along the southwesterly boundary of Fulton County Route 142 the following courses and distances:

S 35° - 46' - 08" E, 351.30 feet, to a point,

S 49° - 30' - 08" E, 46.30 feet, to a point,

S 35° - 46' - 08" E, 376 feet, more or less, to a point

said point being the point and place of beginning, containing 91 acres, more or less.

Parcel 1 and 2 combined contain 375 acres, more or less, and are shown as described herein, on a map consisting of two (2) sheets, entitled "Proposed Fulton County Water District No. 1, Fulton County, New York, Proposed Water District Boundary Parcel 1 (Exhibit B-1) and Proposed Water District Boundary Parcel 2 (Exhibit B-2)", dated June 2003, and made by J. Kenneth Fraser and Associates, PE, LS, LA, P.C., Consulting Engineers, Land Surveyors, Landscape Architects and Planners, Rensselaer, New York".

REGARDI. EXEMPTION ON
PROPERTY TAXES DUE ON CITY OF JOHNSTOWN WATERSHED/WATER FILTRATION PLANT PROPERTIES
LOCATED IN TOWN OF JOHNSTOWN

TAX MAP NUMBER	MUNICIPALITY	SCHOOL DISTRICT	ACRES	ASSESSED VALUATION			TOWN		COUNTY		SCHOOL		TOTAL TAXES PAID
				Land	Building	Total	2004 Tax Rate	Taxes Paid	2004 Tax Rate	Taxes Paid	2004-05 Tax Rate	Taxes Paid	
1 461-1-21	TJtown	O/E	73.10	\$ 82,200	\$ 1,633,910	\$ 1,716,110	\$ 1.46	\$ 2,505.52	\$ 14.55	\$ 24,969.40	\$ 22.157700	\$ 38,025.05	
2 131-1-22	TJtown	O/E	66.09	\$ 36,200	\$ -	\$ 36,200	\$ 1.46	\$ 52.85	\$ 14.55	\$ 526.71	\$ 22.157700	\$ 802.11	
3 131-1-23	TJtown	O/E	32.40	\$ 21,200	\$ -	\$ 21,200	\$ 1.46	\$ 30.95	\$ 14.55	\$ 308.46	\$ 22.157700	\$ 469.74	
4 131-1-49.1	TJtown	O/E	14.50	\$ 10,900	\$ -	\$ 10,900	\$ 1.46	\$ 15.91	\$ 14.55	\$ 158.60	\$ 22.157700	\$ 241.52	
5 131-1-50.12	TJtown	O/E	8.00	\$ 6,000	\$ -	\$ 6,000	\$ 1.46	\$ 8.76	\$ 14.55	\$ 87.30	\$ 22.157700	\$ 132.95	
6 146-1-16	TJtown	O/E	480.50	\$ 192,700	\$ 796,178	\$ 988,878	\$ 1.46	\$ 1,443.76	\$ 14.55	\$ 14,388.17	\$ 22.157700	\$ 21,911.26	
TOTAL													
7 148-1-3	TJtown	Gville	19.20	\$ 35,300	\$ 121,700	\$ 157,000	\$ 1.46	\$ 229.22	\$ 14.55	\$ 2,284.35	\$ 22.090000	\$ 3,468.13	
TOTAL													
8 146-1-21	TJtown	JTtown	5.00	\$ 2,500	\$ -	\$ 2,500	\$ 1.46	\$ 3.65	\$ 14.55	\$ 36.38	\$ 18.307228	\$ 45.77	
9 146-1-22	TJtown	JTtown	5.00	\$ 2,500	\$ -	\$ 2,500	\$ 1.46	\$ 3.65	\$ 14.55	\$ 36.38	\$ 18.307228	\$ 45.77	
10 146-1-23	TJtown	JTtown	15.00	\$ 7,500	\$ -	\$ 7,500	\$ 1.46	\$ 10.95	\$ 14.55	\$ 109.13	\$ 18.307228	\$ 137.30	
11 146-1-28	TJtown	JTtown	15.48	\$ 13,500	\$ -	\$ 13,500	\$ 1.46	\$ 19.71	\$ 14.55	\$ 196.43	\$ 18.307228	\$ 247.15	
12 146-1-45	TJtown	JTtown	257.10	\$ 154,600	\$ -	\$ 154,600	\$ 1.46	\$ 225.72	\$ 14.55	\$ 2,249.43	\$ 18.307228	\$ 2,830.30	
13 147-1-1	TJtown	JTtown	329.20	\$ 130,800	\$ -	\$ 130,800	\$ 1.46	\$ 190.97	\$ 14.55	\$ 1,903.14	\$ 18.307228	\$ 2,394.59	
14 147-1-53.2	TJtown	JTtown	5.38	\$ 58,500	\$ 992,460	\$ 1,050,960	\$ 1.46	\$ 1,534.40	\$ 14.55	\$ 15,291.47	\$ 18.307228	\$ 19,240.16	
15 147-1-55	TJtown	JTtown	36.30	\$ 23,200	\$ -	\$ 23,200	\$ 1.46	\$ 33.87	\$ 14.55	\$ 337.56	\$ 18.307228	\$ 424.73	
16 147-1-62	TJtown	JTtown	308.20	\$ 113,300	\$ 2,725	\$ 116,025	\$ 1.46	\$ 169.40	\$ 14.55	\$ 1,688.16	\$ 18.307228	\$ 2,124.10	
17 160-3-5.2	TJtown	JTtown	7.42	\$ 90,200	\$ 6,713,793	\$ 6,803,993	\$ 1.46	\$ 9,933.83	\$ 14.55	\$ 98,998.10	\$ 18.307228	\$ 124,562.25	
18 174-6-3-1	TJtown	JTtown	0.37	\$ 13,600	\$ 11,075	\$ 24,675	\$ 1.46	\$ 36.03	\$ 14.55	\$ 359.02	\$ 18.307228	\$ 451.73	
19 174-16-16-2	TJtown	JTtown	0.18	\$ 2,700	\$ -	\$ 2,700	\$ 1.46	\$ 3.94	\$ 14.55	\$ 39.29	\$ 18.307228	\$ 49.43	
TOTAL													
CURRENT TOTAL			1678.42	\$ 997,400	\$ 10,271,841	\$ 11,269,241		\$ 16,453.09		\$ 163,967.46		\$ 217,432.66	\$ 397,853.21
50% EXEMPTION OF COUNTY TAXES										\$ 81,983.73			
50% EXEMPTION OF SCHOOL AND TOWN TAXES ¹								\$ 8,226.55				\$ 108,716.33	

¹If the Water Board can get the Greater Johnstown School District and Town of Johnstown to enter into a written agreement similar to what Fulton County is offering, the Water Board could realize additional tax savings.

October 19, 2004

O/E - Oppenheim-Ephratah School District

Appendix A:

1976 Agreement between the City of Johnstown and the City of Gloversville by which the GJ-JWTF provides service to the Colonial Homesteads Sewer District in the Town of Johnstown.

THIS AGREEMENT made this 19th day of ~~March~~^{April}, 1976, between the
CITY OF JOHNSTOWN, NEW YORK and CITY OF GLOVERSVILLE, NEW YORK, both
municipal corporations of the County of Fulton and State of New
~~York~~, parties of the first part, hereinafter referred to as "Cities",
and

COLONIAL HOMESTEADS SEWER DISTRICT IN THE TOWN OF JOHNSTOWN, a
Sewer District established by Resolution of the Town Board of the Town
of Johnstown on September 10th, 1973, by said Town Board of the Town
of Johnstown, party of the second part, hereinafter referred to as
"Sewer District",

W I T N E S S E T H :

WHEREAS the Cities of Gloversville and Johnstown operate a joint
waste water treatment plant which is administered through a Gloversville-
Johnstown Joint Sewer Board, and

WHEREAS the Town Board of the Town of Johnstown established by
resolution on September 10, 1973 a sewer district, the Colonial
Homesteads Sewer District in the Town of Johnstown, with the limits
set forth as follows:

ALL THAT TRACT OR PARCEL OF LAND, situate in the Town of Johnstown,
County of Fulton and State of New York, more particularly bounded and
described as follows:

BEGINNING at an existing right-of-way monument located on the
south side of New York State Route 67 and which monument also marks
the northeast corner of lands of House, running thence South 82° 59'
East 959.56 feet more or less to a set iron pipe on the northwest
corner of lands of the Niagara Mohawk Power Corp. and continuing along
the southerly side of New York State Route 67 on the same course 96.22
feet to a right-of-way monument; continuing thence South 82° 52' East
114.05 feet to another right-of-way monument; continuing thence South
82° 49' East 1511.49 feet to another existing right-of-way monument;
continuing thence South 87° 40' East 52.96 feet to an iron pipe set in
the ground on the southerly side of said road; continuing thence
South 86° 39' East 373 feet to an existing iron pipe on the southerly
side of Route 67; continuing thence South 78° 34' East along lands of
the City of Johnstown 305.17 feet to an iron pipe set in the ground on
the westerly margin of lands of Salatel; running thence along the
westerly margin of lands of Salatel, and lands of Fisher South 26° 10'
East to the corporate line of lands of the City of Johnstown; running

thence south along the westerly margin of said corporate line of said City of Johnstown approximately 100 feet, more or less, to a point; running thence North 81° 14' West along the northerly line of lands of the City of Johnstown approximately 270 feet more or less to an iron pipe set in the ground; running thence South 77° 10' West 113.50 feet ~~to another iron pipe set in the ground; running thence South 69° 55' West 320 feet to another iron pipe set in the ground; running thence South 61° 25' West 400 feet to another pipe set in the ground; running thence South 55° 58' West 1000.20 feet to an iron pipe set in the ground; running thence North 86° 16' West 835 feet to an iron pipe set in the ground; running thence South 81° 02' West 600 feet to an iron pipe set in the ground; running thence South 81° 20' West 200 feet to an iron pipe set in the ground; running thence North 11° 57' West along the easterly line of lands of Frasier 935.16 feet to an iron pipe set in the ground; continuing thence North 11° 57' West 194.70 feet to an iron pipe set in the ground; continuing thence North 11° 57' West along the easterly boundary of lands of Frasier and lands of House 642.74 feet to an iron pipe set in the ground; running thence North 5° 12' East 587.33 feet to an existing right-of-way monument in the southerly margin of New York State Route 67 at the point and place of beginning,~~

and,

WHEREAS said "Sewer District" is desirous of contracting with the "Cities" for the "Cities" to provide sewerage service to the "Sewer District",

NOW, THEREFORE, in consideration of the premises and the mutual promises and covenants herein contained, and pursuant to Resolution No. 113, 1974 adopted by the Johnstown Common Council on July 8, 1974, and Resolution No. 65, 1974, adopted by the Gloversville Common Council on June 25, 1974 and the Resolution of *April 19th*, 197*5* adopted by the Town Board of the Town of Johnstown, it is agreed as follows:

1) That the Cities of Gloversville and Johnstown as joint operators of the Gloversville-Johnstown Joint Waste Water Treatment plant through their Gloversville-Johnstown Joint Sewer Board, will furnish domestic connection sewerage treatment to the Colonial Homesteads Sewer District by said Sewer District, at its own proper cost and expense, connecting to the Gloversville-Johnstown Sewer trunk line located adjacent to the south of said Sewer District and along the Cayadutta Creek, said connection to be under the supervision of the City Engineers of the Cities of Johnstown and Gloversville and the

Engineers for the Joint Sewer Plant and in accordance with their specifications. District shall also at said connection install and maintain at their own cost and expense a metering device to measure the total flow of sewerage entering the trunk line from said district.

residential
connection

2) All residential dwellings in said Sewer District shall have their waste water, plumbing and toilet facilities connected to "public" sewer laterals or mains which shall carry said sewerage to the Gloversville-Johnstown Trunk lines. Said sewer laterals and mains shall be installed at the own proper cost and expense of the Sewer District, subject to inspection by the City Engineers of the Cities of Johnstown and Gloversville and the Engineer of the Joint Sewer Plant, and in accordance with their specifications.

Service sewer lines from the residence to the "public" sewer laterals or mains shall be at the property owners own proper cost and expense and subject to the above mentioned inspection and specifications.

repair and
maintenance

3) The District shall be responsible for the repair and maintenance of the so-called "public" sewer laterals and mains and the property owners shall be responsible for repair and maintenance of service lines from their dwellings to said public sewers.

Individual
meters

4) All residential dwellings shall be required by the District to install water meters to meter the quantity of water which enters the residential dwelling from any source whatsoever. Said meters shall be installed at the cost and expense of the District and property owners and shall either be installed by the City of Johnstown or installed in accordance with specifications and under the supervision of the City Engineer of the City of Johnstown. The property owners and/or the Sewer District

shall be responsible for the repair and maintenance of said meters and any necessary replacement.

5) The Sewer District shall semi-annually read the water Meter
Readings meters installed in all residential dwellings in the district and shall supply verified readings to the Cities of Johnstown and Gloversville. Said readings shall be made in April and October of each year and shall be supplied to the Cities prior to May 1st and November 1st of each year.

6) The Sewer District shall on May 1st and November 1st of each year pay to the Fiscal Officer of the Gloversville-Johnstown Joint Waste Water Treatment Plant for providing sewerage facilities, the aggregate total: of individual household metered water volume, applying sewer rent rates established by the Cities of Johnstown and Gloversville for residents of the Cities of Johnstown and Gloversville, said individual totals then multiplied by a factor of three (3).

The Cities shall supply the District periodically with established residential sewer rates insofar as they may be amended or changed during the term of this contract.

7) Individual billings to the residents of the Sewer District shall be the responsibility of the Sewer District and the District shall be responsible to the Cities for the total bill, whether collected for the individual property owners or not.

8) This contract shall be for a term of five (5) years and terminate on May 1st, 1981.

9) Receipts from the Sewer District shall be applied by the Cities toward the operating Budget of the Joint Waste Water Treatment plant.

10) That the Sewer District will adopt rules and regulations on the use of the "public" sewer system in the District in

conformity with the restrictions adopted by the Cities of
Gloversville and Johnstown. (See Johnstown Code Chapter 17,
L.L.#3, 1971; and Gloversville Code, Chapter 75, L.L.#2,
1971)

IN WITNESS WHEREOF THE parties hereto have executed this
agreement the day and the year first above mentioned.

CITY OF JOHNSTOWN

By Anthony J. Grecco
Anthony J. Grecco, its Mayor

CITY OF GLOVERSVILLE

By Eugene D. Reppenhagen
Eugene D. Reppenhagen, its
Mayor

COLONIAL HOMESTEADS SEWER DISTRICT
OF THE TOWN OF JOHNSTOWN

By Raymond G. Smullen
Raymond G. Smullen, Supervisor

STATE OF NEW YORK :
: SS.:
COUNTY OF FULTON :

On this 19th day of April , 1976, before me personally
came ANTHONY J. GRECCO, to me personally known, who, being by
me duly sworn, did depose and say that he resides in the City
of Johnstown, New York; that he is the Mayor of the City of
Johnstown, the corporation described in, and which executed the
within Instrument; that he knows the seal of said corporation;
that the seal affixed to said Instrument is such corporate seal;
that it was so affixed by order of the Common Council of said
corporation; and that he signed his name thereto by like order.

George E. Langer
GEORGE E. LANGR
Notary Public in the State of New York
Fulton County
My commission expires March 30 1977

STATE OF NEW YORK :
COUNTY OF FULTON : SS.:

On this 19th day of April , 1976, before me personally came EUGENE D. REPPENHAGEN, to me personally known, who, being by ~~me duly sworn, did depose and say that he~~ resides in the City of Gloversville, New York; that he is the Mayor of the City of Gloversville, the corporation described in, and which executed the within Instrument; that he knows the seal of said corporation; that the seal affixed to said Instrument is such corporate seal; that it was so affixed by order of the Common Council of said corporation; and that he signed his name thereto by like order.

ANGELO D. LOMANTO
Notary Public of the State of New York
Fulton County
My Commission Expires Mar. 30, 1977

Angelo D Lomanto

STATE OF NEW YORK :
COUNTY OF FULTON : SS.:

On this 19 day of April , 1976, before me personally came RAYMOND G. SMULLEN, to me personally known, who, being by me duly sworn, did depose and say that he resides in the Town of Johnstown, Fulton County, New York; that he is the Town Supervisor, of the Town of Johnstown, the corporation described in, and which executed the within Instrument; that he knows the seal of said corporation; that the seal affixed to said Instrument is such corporate seal; that it was so affixed by order of the Town Board of said corporation; that he signed his name thereto by like order.

RESOLUTION NO. 113, 1974

Alderman Talarico presented the following Resolution and moved its adoption:

WHEREAS, Colonial Homesteads Sewer District in the Town of Johnstown has been duly established, and

WHEREAS, said sewer district has petitioned the City of Johnstown for a contract,

NOW, THEREFORE, be it

RESOLVED, that the Common Council of the City of Johnstown and the Common Council of the City of Gloversville approve a contract with said sewer district, establishing a sewer rate to be paid, which rate shall be the same rate as is presently charged to the residents of the Cities of Johnstown and Gloversville, multiplied by a factor of 3, and be it further

RESOLVED, that said sewer district be billed for all users in said district, which bill is to be predicated upon the total volume of water used by each individual household as measured by individual meters installed so as to accurately measure the water used, and be it further,

RESOLVED, that the City of Johnstown install said water meters, the cost of which is to be charged back to the sewer district and/or the individual homes, and be it further

RESOLVED, that the sewer district is to read the meters and provide verified readings to the Cities of Johnstown and Gloversville, said readings to be subject to verification by the City, and be it further

RESOLVED, that the sewer installation be subject to the specifications and inspection of the City Engineer of the City of Johnstown and/or the City Engineer of the City of Gloversville, and forever after be subject to repair or replacement if determined warranted by

the City Engineer, access for inspection shall be given the City Engineer or Official Designer at any and all times, and be it further

RESOLVED, the said sewer district enact rules and regulations or sewer use regulations to correspond to the local law covering sewer use as enacted by the Cities of Johnstown and Gloversville, and be it further

RESOLVED, that the Mayor of the City of Johnstown be authorized and directed to enter into a contract with the City of Gloversville and the Colonial Homesteads Sewer District, which contract is to be prepared by the attorneys for the respective parties.

Seconded by Alderman Michaelson

[illegible]

1
GENERAL: The Owners are proposing to develop an eleven (11) lot subdivision in the Town of Johnstown, Fulton County, New York. The area is located in a R 1 Zone, an existing Town of Johnstown Sewer District, and a permissive use district for water service by the City of Johnstown Water Department. Lot 1 is proposed for a single family dwelling to be constructed by Lexington Center to house approximately 10 people. Lots 2 - 11 are proposed for quad-units to be constructed by the Owner. There are five (5) lots presently existing on Horseshoe Drive which are located in an approved subdivision called Colonial Homesteads. Existing homes located within the Colonial Homesteads subdivision are serviced by individual wells and an existing sewer line to the City of Johnstown trunk sewer. The Owner is currently constructing single family homes on the five lots along Horseshoe Drive which they propose to service by the new water line and the existing sewer line.

WATER SERVICE: The Owners are proposing to extend a new water line from the existing 16 inch transmission line of the City of Johnstown. The tap will be made on the 16 inch line with a 10 inch tapping valve and sleeve on the high pressure side of the existing City of Johnstown Water Pumping Station located on New York State Route 67 (West Main Street Extension). The pressure at this point in the 16 inch line are at least 100 psi which will provide adequate pressure throughout the Phase I area. The projected demand for Phase I is 15,000 gallons of water per day. The City of Johnstown Water Board has determined that they have adequate capacity to furnish this amount of water for domestic use and adequate capacity and pressure for fire protection in the area.

SEWAGE SERVICE: The existing lots on Horseshoe Drive are serviced by an existing 8" sewer line connected to the City of Johnstown trunk line. Lots 1 -12 of Aspen Hills, Phase I will be serviced by a new 8" sewer line connected to the trunk line.

APPROVALS: The Town of Johnstown Planning Board has given final approval to the plan on November 21, 1989. Previous to the Town Approval, the City of Johnstown Water Board and Common Council had given approval for the project. At this time the Owner is seeking the approval of the New York State Department of Health to allow the water line to be extended so that construction of the water line can commence. Application for the subdivision will be submitted to the Department of Health and the New York State Department of Environmental Conservation on or about January 14, 1989.

11/23/87

RESOLUTION NO. 158 1987

ALDERMAN DiSpirito presented the following Resolution and moved its adoption.

WHEREAS Certain complaints have been received by the City Board of Health that septic tank discharges from certain Town residents along the Extension of East Main Street have entered the City's storm Sewer System, and

WHEREAS The City Board of Health has previously recommended that the Common Council permit the extension of the City Sewer Main on East Main Street into the Town to alleviate said condition, and

WHEREAS, The Town Board of the Town of Johnstown on or about July 10, 1987 has requested that the Cities of Johnstown and Gloversville, and the Joint Sewer Board allow the creation of a sewer district on the Extension of East Main Street and permit said sewer district to connect to the municipal sewer system of the City of Johnstown.

NOW THEREFORE, BE IT RESOLVED That the City of Johnstown hereby authorizes and permits the proposed sewer district, to be located on the Extension of East Main Street in the Town of Johnstown, to connect to the City's sewer system, which proposed sewer district is outlined in a map prepared by Charles Ackerbauer, Professional Engineer and Licensed Surveyor, a copy of which is annexed hereto as Schedule "A". The foregoing permission to connect shall be contingent upon passage of a similar Resolution by the City of Gloversville, NY and the Joint Sewer Board permitting such connection to the municipal sewer system.

Seconded by Alderman Greco

Adopted by the following vote:

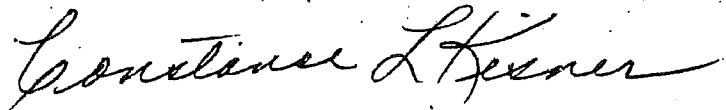
Ayes: 5
Noes: 0

STATE OF NEW YORK
COUNTY OF FULTON
CITY OF JOHNSTOWN

OFFICE OF CITY CLERK: ss.:

I, Constance L. Kesner, City Clerk of
the City of Johnstown, N.Y., do hereby certify that I have
compared the foregoing Resolution with
the original as adopted by the Common Council of said city,
at a n adjourned regular meeting thereof held on the
23rd day of November, 1987 and approved by Mayor
Donald F. Murphy on the 24th day of
November, 1987 and now on file in this office
and that the same is a correct transcript therefrom and of
the whole of said original.

IN WITNESS WHEREOF, I have hereunto
set my hand and affixed the corporate
seal of the City of Johnstown, New York,
this 24th day of November, 1987



CITY CLERK

Appendix A:

1988 Agreement of the Gloversville Johnstown Joint Sewer Board by which the Joint Sewer Board agrees to extend service to a Sewer District on the Extension of East Main Street.

GLOVERSVILLE/JOHNSTOWN JOINT SEWER BOARD

Resolution #88-2

WHEREAS, the City of Johnstown by Resolution No. 158, 1987 has requested the Joint Sewer Board to permit the connection of a sewer district on the Extension of East Main Street and permit said district to connect to the municipal sewer system of the City of Johnstown, be it hereby

RESOLVED that the Joint Sewer Board has no objection to the connection of said district to the municipal sewer system of the City of Johnstown; and be it further

RESOLVED that the connection of said sewer district shall effect the unallocated reserve of the City of Johnstown as follows:

33 HOUSEHOLDS IN SEWER DISTRICT

ESTIMATES BASED ON:

2.5 persons per household
70 gals. per capita per day
0.20 lbs. BOD per capita per day
0.22 lbs. TSS per capita per day
0.033 lbs. TKN per capita per day

PROJECTED LOADING FROM EAST MAIN STREET SEWER DISTRICT:

FLOW: 5775 gals./day
BOD: 16.50 lbs./day
TSS: 18.15 lbs./day
TKN: 2.72 lbs./day

JOHNSTOWN BOD RESERVE CAPACITY:	313.4 LBS/DAY
LESS: ALLOCATION TO EAST MAIN	
STREET SEWER DISTRICT:	<u>16.5 LBS/DAY</u>
REMAINING J'STOWN BOD RESERVE:	296.9 LBS/DAY

Dated: January 12, 1988

Motion By: Mr. Dave Ackerbauer

Seconded By: Mr. Edward Martelle

Yes: 4

No: 1

Absent: 1

3/21/90

RESOLUTION NO. 63 1990

Alderman Osusky presented the following Resolution and moved its adoption.

WHEREAS The Common Council by Resolution No. 159 of 1987 adopted on November 23, 1987 authorized the extension in- to the Town of an eight (8") inch sewer main on East Main Street Extension to service the area of a proposed sewer district as outlined in a map prepared by Charles Ackerbauer (33 homes), and

WHEREAS The Joint Sewer Board by Resolution No. 88-2 raised no objection to the connection of the Extension East Main Street Sewer District (33 homes) to the municipal system, and

WHEREAS The size of the Extension East Main Street Sewer District has been increased to encompass 52 homes

NOW THEREFORE, BE IT RESOLVED That the Common Council of the City of Johnstown hereby consents to the connection of the aforesaid Sewer District as amended to the City Sewer System and approves the allocation of the following capacity from its reserve to said District:

<u>TYPE</u>	<u>AMOUNT</u>
1.) Flow	9100 G.P.D.
2.) BOD 5	26 lbs. per day
3.) TSS	28.6 lbs. per day
4.) TKN	4.29 lbs. per day

and it is further

RESOLVED That this Resolution shall take effect upon pas- sage of a similar Resolution by the City of Gloversville, New York.

Seconded by Alderman DiSpirito

Adopted by the following vote:

Ayes: 5

Noes: 0

GLOVERSVILLE/JOHNSTOWN JOINT SEWER BOARD

Resolution #90-5

WHEREAS, the City of Johnstown by Resolution No. 63, 1990 has requested the Joint Sewer Board to permit an increase in the size of the Extension of East Main Street Sewer District and permit said expanded district to connect to the municipal sewer system of the City of Johnstown, be it hereby

RESOLVED that the Joint Sewer Board has no objection to the connection of said expanded district to the municipal sewer system of the City of Johnstown; and be it further

RESOLVED that the connection of said sewer district shall affect the unallocated reserve of the City of Johnstown as follows:

19 ADDITIONAL HOUSEHOLDS IN SEWER DISTRICT

ESTIMATES BASED ON:

2.5 persons per household
70 gallons per capita per day
0.20 lbs. BOD per capita per day
0.22 lbs. TSS per capita per day
0.033 lbs. TKN per capita per day

PROJECTED LOADING FROM EXPANDED EAST MAIN STREET SEWER DISTRICT:

<u>CURRENT ALLOCATION</u>		<u>REVISED ALLOCATION</u>			
Flow:	5775 gals/day	Flow:	9100 gals/day		
BOD:	16.5 lbs/day	BOD:	26.0 lbs/day		
TSS:	18.1 lbs/day	TSS:	28.6 lbs/day		
TKN:	2.7 lbs/day	TKN:	4.29 lbs/day		
JOHNSTOWN RESERVE CAPACITY:					
	<u>FLOW</u>	<u>BOD</u>	<u>TSS</u>	<u>TKN</u>	
CURRENT RESERVE:	204,942	LBS/DAY	LBS/DAY	LBS/DAY	
		252.6	642.8	112.5	
LESS: ALLOCATION TO EAST MAIN STREET SEWER DISTRICT:	3,325	9.5	10.5	1.6	
REMAINING RESERVE CAPACITY:	201,617	243.1	632.3	110.9	

DATED: May 8, 1990

MOTION BY: Mr. Guild

SECONDED BY: Mr. Sweeney

YES: 5

1

GENERAL: The Owners are proposing to develop an eleven (11) lot subdivision in the Town of Johnstown, Fulton County, New York. The area is located in a R 1 Zone, an existing Town of Johnstown Sewer District, and a permissive use district for water service by the City of Johnstown Water Department. Lot 1 is proposed for a single family dwelling to be constructed by Lexington Center to house approximately 10 people. Lots 2 - 11 are proposed for quad-units to be constructed by the Owner. There are five (5) lots presently existing on Horseshoe Drive which are located in an approved subdivision called Colonial Homesteads. Existing homes located within the Colonial Homesteads subdivision are serviced by individual wells and an existing sewer line to the City of Johnstown trunk sewer. The Owner is currently constructing single family homes on the five lots along Horseshoe Drive which they propose to service by the new water line and the existing sewer line.

WATER SERVICE: The Owners are proposing to extend a new water line from the existing 16 inch transmission line of the City of Johnstown. The tap will be made on the 16 inch line with a 10 inch tapping valve and sleeve on the high pressure side of the existing City of Johnstown Water Pumping Station located on New York State Route 67 (West Main Street Extension). The pressure at this point in the 16 inch line are at least 100 psi which will provide adequate pressure throughout the Phase I area. The projected demand for Phase I is 15,000 gallons of water per day. The City of Johnstown Water Board has determined that they have adequate capacity to furnish this amount of water for domestic use and adequate capacity and pressure for fire protection in the area.

SEWAGE SERVICE: The existing lots on Horseshoe Drive are serviced by an existing 8" sewer line connected to the City of Johnstown trunk line. Lots 1 -12 of Aspen Hills, Phase I will be serviced by a new 8" sewer line connected to the trunk line.

APPROVALS: The Town of Johnstown Planning Board has given final approval to the plan on November 21, 1989. Previous to the Town Approval, the City of Johnstown Water Board and Common Council had given approval for the project. At this time the Owner is seeking the approval of the New York State Department of Health to allow the water line to be extended so that construction of the water line can commence. Application for the subdivision will be submitted to the Department of Health and the New York State Department of Environmental Conservation on or about January 14, 1989.

Appendix A:

1990 Agreement by which the City of Johnstown agrees to allocate reserve wastewater capacity for service to the Aspen Hills Phase 1 subdivision located in the Town of Johnstown.

3/21/90

RESOLUTION NO. 66 1990

Alderman Greco presented the following Resolution and moved its adoption.

RESOLVED That the Joint Sewer Board be and it is hereby authorized to allocate the following capacity from the City of Johnstown's reserve capacity to the Aspen Hills Phase I subdivision located on the southerly side of NYS Route 67 in the Town of Johnstown, in accordance with the calculations of Charles Ackerbauer as per his letter of March 5, 1990, annexed hereto as Schedule "A"

<u>TYPE</u>	<u>AMOUNT</u>
1.) Flow	13,000 G.P.D.
2.) BOD 5	26 lbs. per day
3.) Suspended Solids	28 lbs. per day

These capacities shall be allocated to Phase I only, and be it further

RESOLVED That until such time as a revised Sewer District Agreement is executed between the City and the Town, that all sewer billings within Phase I shall be at twice the amount charged residential users located within the City of Johnstown.

Seconded by Alderman O'Regan

Adopted by the following vote:

Ayes: 5

Noes: 0

Appendix A:

1997 Intermunicipal Agreement between the Hudson River Black River Regulating District, the County of Fulton and the Village of Northville by which the Hudson River Black River Regulating District sells groundwater to the Village of Northville.

Haviland, Ferguson & Papa

ATTORNEYS AND COUNSELLORS AT LAW

6 FREMONT STREET

CLOVERSVILLE, NEW YORK 12078

(518) 725-6347

TELECOPIER (518) 725-9875

DUDLEY M. FERGUSON
MARIO J. PAPA

THEODORE R. HAVILAND (1878-1965)
ROGER B. HAVILAND (1900-1992)

CAPITAL DISTRICT OFFICE
224 STATE STREET
SCHENECTADY, NEW YORK 12301
(518) 370-4645

May 13, 1997

Attn: Sylvia J. Brooks
VILLAGE OF NORTHVILLE
412 South Main Street
P.O. Box 153
Northville, NY 12134

✓ Attn: William J. Conboy II, Esq.
HUDSON RIVER-BLACK RIVER REGULATING DISTRICT
112 State Street, Suite 1000
Albany, NY 12207

In re: Hudson River-Black River Regulating District/
County of Fulton/Village of Northville

Dear Sylvia and Bill:

Enclosed please a true copy of the Intermunicipal Agreement with the Village, the County, and the Regulating District for the Village to obtain water from lands of the Regulating District.

Yours truly,

HAVILAND, FERGUSON & PAPA
By:



DMF:cme
Enclosure

INTERMUNICIPAL AGREEMENT

THIS AGREEMENT made the 16 day of ^{May}~~March~~, 1997 by and between the HUDSON RIVER-BLACK RIVER REGULATING DISTRICT, a public benefit corporation, having offices and its principal place of business at 350 Northern Boulevard, Albany, New York 12204, hereinafter referred to as "District", the COUNTY OF FULTON, having offices and its principal place of business at 223 West Main Street, Johnstown, New York 12095, hereinafter referred to as "County" and the VILLAGE OF NORTHVILLE, a municipal corporation of the State of New York, having offices and its principal place of business at Division and Third Street, Northville, New York 12134, hereinafter referred to as "Village".

W I T N E S S E T H :

WHEREAS, the Village desires to expand its water system by taking water from a well or wells located on land of the District; and

WHEREAS, the District is authorized to sell its water to the County pursuant to the provisions of Section 15-2109 of the Environmental Conservation Law; and

WHEREAS, the County and the Village are desirous to work together to further the common interest each has in the residents of the Village; and

WHEREAS, the parties hereto are authorized to enter into an Intermunicipal Agreement pursuant to the provisions of Article 5-G of the General Municipal Law.

NOW THEREFORE, in consideration of the covenants and agreements herein

contained, the parties hereto agree as follows:

1. The District agrees to allow the County and Village to place one or more wells and a transmission line and utility and control line on District lands to obtain water from the lands of the District; the Village agrees to apply for and obtain a "Special Permit" for use of the well areas and transmission line.

2. The location of the wells, transmission line and utility and control line will be at such locations as approved by the District; the District has approved the location as shown on the annexed Schedule "A".

3. The parties hereto agree to install a metering device to measure accurately the amount of water taken from the wells; said metering device to be installed, repaired and maintained at the sole expense of the Village.

4. The County agrees to pay annually to the District the sum of \$0.05 per 1,000 gallons based on the amount of water taken from the well or wells during the period January 1 through December 31. Such payment shall be made by the County by March 1 of each year. The Village agrees to pay annually to the County a like sum for water taken from the well or wells by February 1 of each year. The parties also agree that the price per 1,000 gallons as set forth in this paragraph shall be increased or decreased annually based upon the change in the Consumer Price Index for the prior calendar year. The Consumer Price Index for purposes of the aforesaid calculation shall be the Consumer Price Index then in effect for the region including Albany, New York as promulgated by the United States Government. In the event that the United States Government shall discontinue promulgating changes in the Consumer Price Index then the parties shall agree as to an alternative method of calculating the annual increase or decrease in the price per 1,000 gallons to reflect the change in the cost of living in the Albany, New York region.

5. The County and Village will provide a meter reading to the District on an annual basis on or before the 10th day of January of each year; and the District upon notice to the Village and in the presence of representatives of the Village shall have access to the metering facility to ascertain and verify the accuracy of the readings provided.

6. In consideration of permission granted to the Village by the District to enter upon lands owned by the State of New York and under the jurisdiction of the District and which lands are within the taking line of the Great Sacandaga Lake in the County of Fulton, State of New York, for the purpose of the Village undertaking to locate a well or wells and a transmission line and utility and control line on said lands, the Village does hereby covenant and agree to hold harmless the State of New York, the members of the Board of the District, the District, and/or its officers and employees against any and all claims, damages or causes of action for damages arising out of such entry upon lands under the jurisdiction of the District for the purpose of the Village undertaking to locate a well or wells and a transmission line and utility and control line on said lands and any and all activities which may be incidental thereto and the Village further agrees to indemnify the State of New York, the members of the Board of the District, the District, and/or its officers and employees from all such suits, orders or decrees and judgments entered therein including the cost of defense of all such claims or suits, brought on account of injury to person or property or loss of life sustained by the entry, use or occupation of lands under the jurisdiction of the District by the Village and/or its agents, servants and/or employees for the purpose of the Village undertaking to locate a well or wells and a transmission line and utility and control line on said lands and any and all activities which may be incidental thereto.

7. The Village shall indemnify and save harmless the County from any and all claims made against the County as a result of the location of the wells and the transmission

line and utility and control line on the lands of the District; the Village shall name the County as an additional insured on its liability insurance policies and shall provide the County with a Certificate of Insurance indicating that such insurance is in full force and effect.

8. The Village agrees with the County to operate and maintain the wells and transmission line, the utility and control line and metering, and to hold the County harmless from any cost involved in the repair and maintenance thereof and all such costs shall be at the sole cost and expense of the Village.

9. The County hereby agrees with the District and the Village that it will not assign or otherwise transfer its rights under this Agreement to any other person, firm, corporation or municipality without the express written consent of the District and the Village; and the County agrees with the District that the rights acquired by the County under this Agreement shall not be deemed to be a waiver by the District of the right to refuse any subsequent request by the County to the District for additional water to serve other areas than the water system of the Village.

10. The County and Village agree to maintain the wells and transmission line in accordance with the rules and regulations of the Department of Health, Department of Environmental Conservation (DEC), Adirondack Park Agency (APA), and all other regulatory agencies, and the County and Village are solely responsible for obtaining and maintaining all required permits from any of such regulatory agencies.

11. The Village and District agree that the Village can supply water to all existing users presently served; the Village will be allowed to extend or provide water service anywhere in the Village without review from the District; future water extensions outside the Village must obtain approval from the District prior to extending water service.

12. The duration of this Agreement shall be fifty (50) years; any party hereto may withdraw from this Agreement providing two (2) year written notice is given to the other parties.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement the day and year first above written.

HUDSON RIVER-BLACK RIVER
REGULATING DISTRICT

By: William M. Davis

COUNTY OF FULTON

APPROVED AS TO FORM
Arthur C. Spring
ARTHUR C. SPRING
FULTON COUNTY ATTORNEY

By: Joseph G. Salank

VILLAGE OF NORTHVILLE

By: James H. Duff Mayor

APPENDIX B
**CONTRACTUAL AGREEMENTS PERTAINING TO MUNICIPALITIES OUTSIDE
FULTON COUNTY**

Appendix B:

2009 Agreement between the City of Amsterdam and the Town of Florida by which the City agrees to provide water and wastewater services to the Town and the Town agrees to a revenue sharing agreement with the City.

REVENUE SHARING AGREEMENT

This Intermunicipal Cooperation Agreement dated DEC 15, '09 (the "Agreement") between the **CITY OF AMSTERDAM**, a Municipal Corporation, established under the laws of the State of New York, located in the County of Montgomery and State of New York, with the principal place of business at 61 Church Street, Amsterdam, New York, hereinafter referred to as the "City", and the **TOWN OF FLORIDA**, a Municipal Corporation, established under the laws of the State of New York, with a principal place of business at 214 Fort Hunter Road, Amsterdam, New York, Town of Florida, County of Montgomery, State of New York, hereinafter referred to as the "Town," and collectively, "the Parties",

WHEREAS, this Agreement is being entered into by the Town and the City pursuant to Article 5-G of the General Municipal Law and pursuant to any other section of law or right that might pertain to the subjects and purposes of this Agreement and this Agreement constitutes an intermunicipal cooperation agreement whereby the Town has formed or shall form water and sewer districts or service areas as the case may be to provide potable water supply and wastewater treatment services to various properties within the Town, and the City provides or shall provide water and sewer services to the Town to support these districts or service areas, as the case may be, and

WHEREAS, the City has excess capacity at its water and sewer plants, and provided proper conveyance infrastructure and appurtenances exist within the Town, a portion of the excess capacity can be assigned to the Town, and

WHEREAS, one of the purposes of this Agreement is to facilitate the sale by the City of potable water and wastewater treatment services and the Town to purchase such services, and

WHEREAS, one of the purposes of this Agreement is for the Town to have a ready source of water and sewer services available to support economic development and to enhance the development of real property within the Town, and

WHEREAS, the Town will realize, over time, an increase in sales tax revenue related to such real property development that has occurred and will occur with the support of water and sewer services provided to the Town by the City, and

WHEREAS, the Town and City recognize a mutual regional interest in real property development within the Town that is made possible through the provision of water and sewer services by the City to the Town, now therefore it is

AGREED, as follows:

1. The City shall provide water and sewer services to the Town as the Town requires as defined from time to time in separate intermunicipal agreements that shall incorporate the basic terms outlined herein. The City shall provide water and sewer services upon application by the Town to the extent reasonably needed to supply any proposed expansion or creation of water and sewer districts in the Town. The Town's right to the services under this Agreement are limited by the capacity of the City's systems at the time of the application and the usage needs of the City and any existing districts in both the Town and the Town of

Amsterdam. The Town will not provide water and sewer services to areas outside of the municipal boundary of the Town without prior agreement of the City.

2. The City will promptly evaluate any request for an amendment to an intermunicipal agreement seeking to increase the volume of water and sewer services provided by the City to the Town. The Town will document the request for amendment with proper studies and engineering reports to demonstrate the reasonable need for service and if the request is within the permitted capacity of the City's respective water and sewer systems, then the requested amendment (increase) shall be granted without further consideration by the City. It is understood that the City may enter into similar agreements with other Towns or entities and that access to the City's water and sewer services will be on a first come first served basis with respect to future requests for additional service. This Agreement does not create a right for the Town to reserve any capacity of the City's water or sewer systems beyond the capacity reserved in separately executed water and sewer intermunicipal agreements.
3. The creation of water and sewer districts within the Town after the execution of this Agreement will necessitate separately executed intermunicipal cooperation agreements that will specify the provision of water and/or sewer service by the City to the Town consistent with the provisions herein. The Town and City will execute future agreements in a timely manner and in good faith. Future agreements will contain the following provisions:
 - a. Ownership of Improvements – The City will own any and all the infrastructure improvements located within the City boundary, and any

and all the infrastructure improvements located outside the City boundary located within the Town will be owned by the Town.

- b. Operation and Maintenance – The City shall be responsible for operation and maintenance of any and all infrastructure located within the City as well as the raw water transmission line located within the Town, and the Town shall be responsible for operation and maintenance of existing and improvement infrastructure owned by the Town located within the Town. Pumping costs associated with any pumping station located in the City that pumps water or sewage for Town users will have its operation and maintenance cost shared between the City and Town district based on the ratio of metered or estimated flow to Town and City users through the pumping station.
- c. Meter Reading – Water meters shall be installed at each user site in accordance with Town and City standards, and at the user's expense. The Town and City agree to joint quarterly water meter readings. Readings shall be reported to the City Controller who will then transmit a summary listing showing each user and the corresponding number of units, readings, and charges.
- d. Billing – Billing for water and sewer charges will be calculated by the City Controller's office. The City shall issue a single quarterly invoice showing a detailed summary of charges (as noted above in 3c) to the Town for all water supplied to the Town. Upon receipt of an invoice(s) for such water and sewer charges, the Town water and sewer district(s)

shall, within thirty (30) days of receipt thereof, remit all such water and sewer payments to the City. Late payments made by the Town district(s) (over 30 days) shall be charged a late payment charge of 2% per month, based on the unpaid balance. The Town is responsible for invoicing and collecting water and sewer rents within the Town water and sewer districts.

- e. The Town agrees that users of water and sewer services shall be subject to the same reasonable use limitations and regulations imposed by the City upon users within the City.
- f. ~~Water and Sewer Service Rate~~ – It is agreed that Town district water and sewer users shall be charged at 1 ½ times the City's commercial rate and/or City residential meter rate for water and sewer users, based on the type of use for each service. The rate and billing procedure outlined herein will take effect for all Town users during the quarterly billing period in which this Agreement is fully executed. The Town shall establish additional fees related to operation and maintenance of the infrastructure within the district(s). Amendments to intermunicipal agreements executed during the term of this Agreement with durations that exceed the end date of this Agreement shall be subject to rates in accordance with this section through the end date of this Agreement and rates negotiated by the Parties for time periods after the expiration of this Agreement.

- g. The City, its employees or representatives shall, at any time, be able to inspect all components of the water and sewer infrastructure of the districts and in the event of an emergency or in order to insure the continued service of the systems to the other users, the City may take all reasonable steps including operating all valves, regulating water levels, controlling flows, flushing water mains, and performing any other related activities for such purposes. The City shall provide verbal and/or written communication to the Town discussing emergency circumstances and actions taken as soon as practicable.
 - h. Future changes in the City's Water and Sewer infrastructure required solely to provide water and sewer service to the Town will be paid for by the Town. The City shall notice the Town prior to undertaking any capital improvements necessary to service the Town. Written notice shall include engineering and financial information adequate for Town review to ensure the necessity and cost of the improvements. Any additional sampling, tests or monitoring of water quality due to additional point(s) of entry in the Town Water District(s) shall be reimbursed to the City, if such testing is performed by the City.
- 4. The Town will annually pay to the City a revenue sharing payment in an amount equal to 20% of the difference in the Town's sales tax revenue actually received during its fiscal year less the threshold sales tax value initially to be fixed at \$713,693.00, which is the highest annual value of sales tax received by the Town in the three years preceding the date of this Agreement. This threshold shall

remain unchanged for a period of ten years. In the eleventh year of this Agreement, the threshold will be adjusted by multiplying the initial threshold number on the date that the distribution calculation is required to be computed by one (1) plus the value of the 12 Month Percent Change in the Consumer Price Index expressed as a decimal based on Annual Data for All Urban Consumers Not Seasonally Adjusted including All Items for the Northeast Urban Area as published by the United States Department of Labor Bureau of Labor Statistics. This is not intended to be a cumulative adjustment for inflation over the preceding ten year period. Thereafter, the threshold will be adjusted by multiplying the previous years adjusted threshold value by one (1) plus the value of the 12 Month Percent Change in the Consumer Price Index expressed as a decimal based on Annual Data for All Urban Consumers Not Seasonally Adjusted including All Items for the Northeast Urban Area as published by the United States Department of Labor Bureau of Labor Statistics. The payment will be calculated annually and the calculation will be made effective as of the closing date of the Town's fiscal year. The annual payments will be made within 30 days of the closing date of the Town's fiscal year. The first and last payments of this Agreement will be for a partial year, therefore the payments shall be computed using a proration (based on the fraction of the fiscal year covered by the agreement) of both the total amount of net sales tax received and the threshold number. The payments shall commence on or after June 30, 2009 and continue through the term of this Agreement.

5. Rate Reduction. Residential users (single family homes, two family homes, townhomes and condominiums) within any water or sewer district for which capital debt is issued by the Town formed after April 1, 2008 will enjoy a rate reduction to help offset for the capital costs associated with the creation of the respective water and sewer districts. The standard Town Rate of 1.5 times the City Rate will be reduced to the City Rate in the first year in which the Town makes a capital debt repayment for the related capital improvements. Thereafter, the Town Rate in the District will be increased on an even incremental basis up to 1.5 times the City rate such that at the end of the fifteenth year from the first year in which the Town makes a capital debt repayment, the residential customers in the subject district will be paying the standard Town Rate. New users within the district that connect during the term of the Town's debt repayment will be charged the incremental rate for the year in which they connect and increased accordingly in each year thereafter until the final year of the debt repayment or the fifteenth year from the first year in which the Town makes a capital debt repayment whichever is sooner. At no time will any Town residential user pay less than any similarly situated City residential user.
6. Term of Agreement. In accordance with Section 118-a of the General Municipal Law, the term of this Agreement shall be forty (40) years. The City and the Town agree to review this Agreement not less frequently than once every five (5) years throughout the term of the Agreement. Modifications, amendments or changes to this Agreement must be acceptable to both Parties.

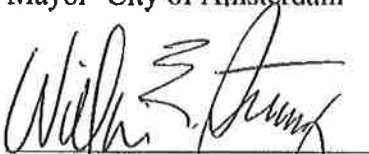
7. The Town will, to the best of its ability, exempt any City water and sewer infrastructure from property tax.
8. The City and Town agree to apply for Municipal Home Rule Legislation should the same be required to forward the purpose and enforceability of this Agreement.
9. Notices. All notices, statements, demands, approvals, or other communications to be given under or pursuant to this Agreement will be in writing, addressed to the Parties at their respective addresses as provided below, and will be delivered in person, or by certified or registered mail, postage prepaid, return receipt requested. If mailed, the notice will be deemed to have been given 24 hours after the date of mailing. The addresses of the parties to which such notices are to be sent will be and until further notice are, as follows:

Town of Florida
Town Office Building
181 Fort Hunter Road
Amsterdam, New York 12010

City of Amsterdam
City Hall
61 Church Street
Amsterdam, NY 12010



Mayor - City of Amsterdam



Supervisor - Town of Florida

Appendix B:

2002 Agreement between the City of Amsterdam and the Town of Amsterdam by which the City agrees to provide potable water to the Town of Amsterdam.

WATER SYSTEM INTERMUNICIPAL
COOPERATION AGREEMENT

This Intermunicipal Cooperation Agreement dated August 1, 2002 (the "Agreement") between the CITY OF AMSTERDAM, a Municipal Corporation, established under the laws of the State of New York, located in the County of Montgomery and State of New York, with the principal place of business at 61 Church Street, Amsterdam, New York, hereinafter referred to as the "City", and the TOWN OF AMSTERDAM, a Municipal Corporation, established under the laws of the State of New York, with a principal place of business at 283 Manny's Corners Road, Amsterdam, New York, Town of Amsterdam, County of Montgomery, State of New York, hereinafter referred to as the "Town," and

WHEREAS, this Agreement is being entered into by the Town, and the City pursuant to Article 5-G of the General Municipal Law, and this Agreement constitutes an intermunicipal cooperation agreement whereby the Town has formed or shall form Water Districts to serve all of the properties currently connected to the City Water System, and new service areas as defined in water district formation map(s), plan(s) and report(s), and

WHEREAS, the City has excess capacity at its water plant, and provided certain infrastructure installations and improvements are made by the Town, a portion of the excess capacity can be assigned to the Town, and

WHEREAS, the purpose of this agreement is for the City to sell treated potable water and the Town to purchase such water, and

WHEREAS, the Town wishes to purchase up to 150,000 gallons per day of potable water from the City subject to the covenants, provisions and agreements set forth herein, and

WHEREAS, the parties have determined that the project is in the best interest of promoting the continued economic development and public health,

**WATER SYSTEM INTERMUNICIPAL
COOPERATION AGREEMENT**

NOW, THEREFORE, IT IS

AGREED, that in consideration for the promise and mutual covenants and agreements herein set forth, and for the sum of One Dollar and 00/100 (\$1.00) lawful money of the United States, to each hand paid by the other, receipt of which is acknowledged, and other good and valuable consideration, the parties mutually agree as follows:

ARTICLE I

CONSTRUCTION AND FINANCING OF WATER SYSTEM IMPROVEMENTS

1. The Town agrees to pay for the cost of all water improvements located within the Town and those water improvements located within the City that are expressly necessary to service the Town, including the existing 6" and 8" main which serves the Harrower's pump station in the Clizbe/Locust Avenue area.

2. The Town agrees to install back pressure sustaining valve upstream of the Harrower Pump Station to prevent loss of pressure in the City's system. The design and construction costs for this valve and appurtenances shall be paid by the Town. The City Engineer shall approve the design of the valve prior to installation.

ARTICLE II

WATER DISTRICTS

1. The Town will comply with Article 12 of the Town Law in the formation of water districts within the Town. Copies of map(s), plan(s) and report(s) will be provided to the City after they are formally presented to the Town Board. The report(s) will provide a district water demand projection.

The City shall review any future map(s), plan(s) and report(s) for the purpose of establishing that the total aggregate amount of water to be purchased by the Town for the district

WATER SYSTEM INTERMUNICIPAL
COOPERATION AGREEMENT

will not exceed 150,000 gallons per day and to technically review the plans for any impacts to the City's water infrastructure system.

2. All properties in the Town of Amsterdam that are currently served with City water will become part of this agreement. Said properties are shown on a map entitled, "Town of Amsterdam Water Districts" prepared by the Montgomery County Department of Planning and Development, dated June 2001, marked as Exhibit A and accompanying property parcel listing containing tax map numbers marked as Exhibit B.

3. The Town agrees to provide copies of documentation required by Article 15 of the Environmental Conservation Law (water supply permit) and US Army Corps of Engineers Joint Permit applications to the City for review.

4. Prior to issuance of a building permit for a new user within a water district, the Town will provide the City with a copy of the Town Building Permit Application, along with projected daily water consumption. Town Building Codes shall include appropriate requirements for water service hook-ups, including but not limited to the installation of back flow preventers, and as a minimum, meet City and New York State Department of Health requirements.

5. Ownership of Improvements – The City will own any and all the infrastructure improvements located within the City boundary as well as the raw water transmission line located within the Town, and any and all the infrastructure improvements located outside the City boundary located within the Town will be owned by the Town.

6. Operation and Maintenance – The City shall be responsible for operation and maintenance of any and all infrastructure located within the City as well as the raw water transmission line located within the Town, and the Town shall be responsible for operation and

**WATER SYSTEM INTERMUNICIPAL
COOPERATION AGREEMENT**

maintenance of existing and improvement infrastructure owned by the Town located within the Town. The City shall have access to the raw water transmission line for maintenance and repair purposes without seeking approval or obtaining any special permits from the Town.

**ARTICLE III
METER READING AND BILLING OF WATER CHARGES**

1a. Meter Reading – Water meters shall be installed at each user site in accordance with Town and City standards, and at the user's expense. The Town and City agree to joint quarterly water meter readings. Readings shall be reported to the City Controller who will then transmit a summary listing showing each user and the corresponding number of units, readings, and charges.

1b. Billing – Billing for water charges will be calculated by the City Controller's office. The City shall issue a single quarterly invoice showing a detailed summary of charges (as noted above in 1a) to the Town for all water supplied to the Town. Upon receipt of an invoice(s) for such water charges, the Town Water District shall, within sixty (30) days of receipt thereof, remit all such water payments to the City. Late payments made by the Town (over 30 days) shall be charged a late payment charge of 2% per month, based on the unpaid balance. The Town is responsible for invoicing and collecting water rents within the Town water districts.

2. The Town agrees that users of water services shall be subject to the same reasonable use limitations and regulations imposed by the City upon users within the City.

3. Water Service Rate – It is agreed that District Water users shall be charged at 1 ½ times the City's commercial rate and/or City residential meter rate for water users, based on the type of use for each service. The rate and billing procedure outlined herein will take effect for all Town users during the quarterly billing period in which this agreement is fully executed. The

**WATER SYSTEM INTERMUNICIPAL
COOPERATION AGREEMENT**

Town shall establish additional fees related to operation and maintenance of the infrastructure within the District(s).

**ARTICLE IV
OPERATIONAL CONTROL**

1. The City, its employees or representatives shall, at any time, be able to inspect all components of the water infrastructure of the Districts and in the event of an emergency or in order to insure the continued service of the systems to the other users, the City may take all reasonable steps including operating all valves, regulating water levels, controlling flows, flushing water mains, and performing any other related activities for such purposes. The City shall provide verbal and/or written communication to the Town discussing emergency circumstances and actions taken as soon as practicable.

2. Future changes in the City's Water infrastructure required solely to provide water service to the Town will be paid for by the Town. The City shall notice the Town prior to undertaking any capital improvements necessary to service the Town. Written notice shall include engineering and financial information adequate for Town review to ensure the necessity and cost of the improvements. Any additional sampling, tests or monitoring of water quality due to additional point(s) of entry in the Town Water District(s) shall be reimbursed to the City, if such testing is performed by the City.

**ARTICLE V
PAYMENT**

1. The Town shall be responsible for paying all costs in connection with the work to be performed by the Town pursuant to this Agreement. The Town shall also be responsible for reimbursing the City for its reasonable expenses in performing or having performed engineering services concerning the review, design, construction and inspection of Town water system

**WATER SYSTEM INTERMUNICIPAL
COOPERATION AGREEMENT**

improvements, or its impact on the City system. The City shall submit a request for reimbursement to the Town summarizing the service performed and including copies of submitted invoices.

2. Notwithstanding anything to the contrary in the Agreement, the City reserves the right to reduce the volume of water available to the Town because of conditions of droughts, acts of God, emergency, or regulations promulgated by the State of New York. Such reduction of service shall be consistent with other users similarly situated. The City shall notice the Town in advance of any anticipated reduction in the total amount of water available to the Town.

**ARTICLE VI
CAPITAL COSTS OF PROJECT**

The costs of the infrastructure improvements may be financed by bonds and notes (the "Obligations") issued by the Town. The Obligations shall be obligations of the Town and not the City. The parties hereto agree that the repayment of the Obligations shall not be a responsibility of the General Funds of the City.

**ARTICLE VII
PROVISION OF WATER SERVICES**

1. Upon completion of the water system improvements to the service district users, the City shall furnish water of potable quality to the Town for distribution within the water districts for as long as the Town water districts remain in existence.

2. The City warrants that it has the capacity to provide water services to the Town Water Districts and that it is legally empowered to provide water to the Town Water District provided approval is granted from regulatory agencies.

**WATER SYSTEM INTERMUNICIPAL
COOPERATION AGREEMENT**

3. The City agrees that the Town Water District shall be liable only for water service charges or fees including but not limited to any taxes or assessments as such improvements are municipal improvements and as such are exempt from real property taxes.

**ARTICLE VIII
EXCHANGE DATA**

All technical data relating to the scope of work described in this Agreement with the possession of the parties shall be made available to the other parties without expense.

**ARTICLE IX
ADDITIONAL ASSURANCES**

The parties agree to enter into such additional agreements as may become necessary to fully effectuate the provisions of this Agreement and to provide for mutual protection of all the parties hereto.

**ARTICLE X
MERGER CLAUSE AND MODIFICATIONS**

This Agreement, with its Exhibits, contains the entire agreement between the City and the Town and any agreements hereafter made between the City and the Town shall be ineffective to change this Agreement, unless such Agreement is signed by the authorized representative of the City and the Town.

**ARTICLE XI
COMPLIANCE WITH LAWS**

1. Notwithstanding any other term or provision to the contrary herein, no party, hereto shall commence or engage in any activity hereunder, and no party shall have any obligations hereunder, unless and until the responsible parties have completed all necessary review of the activities contemplated by the Agreement pursuant to Article 8 of the

WATER SYSTEM INTERMUNICIPAL
COOPERATION AGREEMENT

Environmental Conservation Law and the rules and regulations promulgated pursuant thereto. No "action", as the same is referred to in Article 9 of the Environmental Conservation Law and SEQRA regulations, shall be taken hereunder until all the procedures and requirements set forth therein have been completed with respect to the work contemplated hereby.

2. The parties shall comply with all Federal, State, and local statutes, rules regulations, orders and ordinances applicable to the performance of this Agreement.

ARTICLE XII
TERM OF AGREEMENT

In accordance with Section 118-a of the General Municipal Law, the term of this Agreement shall be forty (40) years. The City and the Town agree to review this Agreement not less frequently than once every five (5) years throughout the term of the Agreement. Modifications, amendments or changes to this Agreement must be acceptable to both parties.

ARTICLE XIII
ARBITRATION

Any controversy, claim, or cause of action arising out of or relating to this contract, or the breach of this Agreement, shall be submitted to, and decided by arbitration, which arbitration shall be conducted in the City of Amsterdam and be administered by the American Arbitration Association in accordance with its then current commercial arbitration rules (or in accordance with such other procedures, if any, as the parties to this Agreement may mutually agree upon in writing); and the decision in such arbitration shall be final, non-appealable and binding on the parties to this Agreement. All costs and expenses (including, without limitation, reasonable attorney's fees and disbursements) paid or incurred by the prevailing party in such arbitration shall be paid by the other party to the arbitration.

WATER SYSTEM INTERMUNICIPAL
COOPERATION AGREEMENT

ARTICLE XIV
PRIOR AGREEMENTS

The parties hereto agree that this Agreement shall supercede any prior agreements entered into by the parties.

IN WITNESS WHEREOF, each party has caused this Agreement to be signed by its duly authorized officer on the day first above written.

By: _____
CITY OF AMSTERDAM

By: _____
TOWN OF AMSTERDAM

WATER SYSTEM INTERMUNICIPAL
COOPERATION AGREEMENT

STATE OF NEW YORK}
CITY OF AMSTERDAM} §:

On this 1st day of August, 2002, before me personally appeared John M. Duchesse, Jr. to me personally known, and known to me to be the Mayor of the City of Amsterdam, who, being by me duly sworn, did depose and say that he/she resides at Amsterdam, of Mayor State of New York, that he/she is the Mayor of the City of Amsterdam, the municipal corporation described herein, and which executed the above instrument; that he/she knows the seal of said Corporation; that the seal affixed to said Instrument is such corporate seal.

JANE DICAPRIO
Notary Public for New York
Montgomery County Reg. #01DI5019667
Comm. Expires Oct. 25, 2005

Jane Di Caprio
NOTARY PUBLIC

STATE OF NEW YORK}
TOWN OF AMSTERDAM} §:

On this 1st day of August, 2002, before me personally appeared Thomas P. Di Mezza to me personally known, and known to me to be the Supervisor of the Town of Amsterdam, who, being by me duly sworn, did depose and say that he/she resides at Truber Hill, of Supervisor State of New York, that he/she is the Supervisor of the Town of Amsterdam, the municipal corporation described herein, and which executed the above instrument; that he/she knows the seal of said Corporation; that the seal affixed to said Instrument is such corporate seal.

Jane Di Caprio
NOTARY PUBLIC

JANE DICAPRIO
Notary Public for New York
Montgomery County Reg. #01DI5019667
Comm. Expires Oct. 25, 2005

**WATER SYSTEM INTERMUNICIPAL
COOPERATION AGREEMENT**

EXHIBIT A

Map entitled, "Town of Amsterdam Water Districts"

Prepared by the Montgomery County Department of Planning and Development

Dated June 2001











TOWN OF AMSTERDAM WATER DISTRICTS

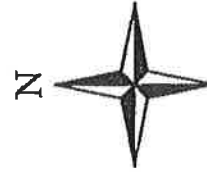
TOWN OF PERTH



CITY OF AMSTERDAM

LEGEND

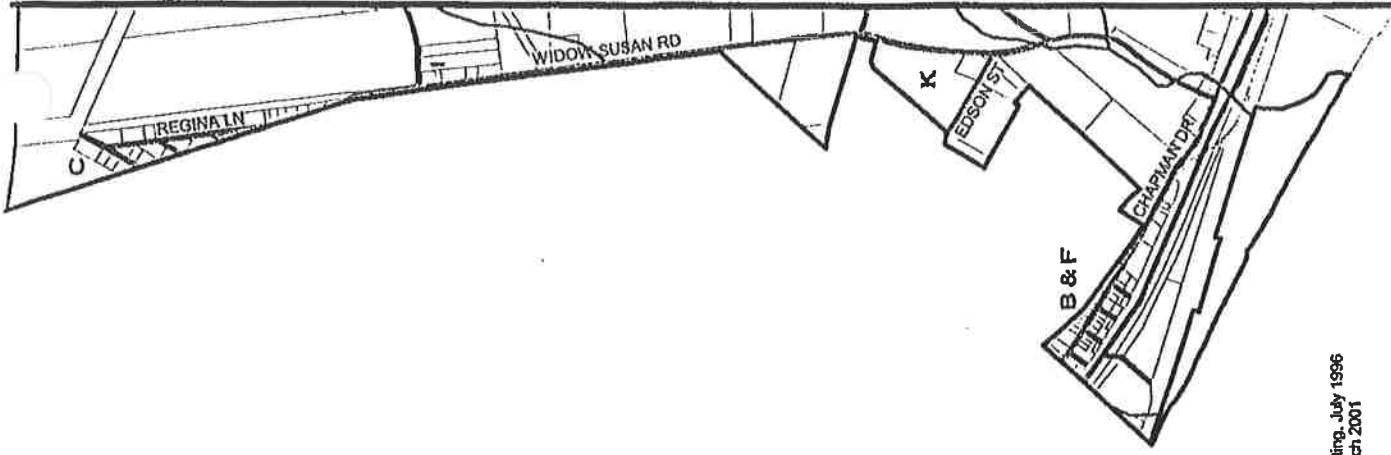
	HARROWER WATER DISTRICT
	WALLINS CORNERS RD. WATER DISTRICT
	ROUTE 30 WATER DISTRICT
	ROUTE 30 WATER SERVICE AREAS
	NEW SERVICE AREAS ADDED 2002
	PARCEL BOUNDARY
	MUNICIPAL BOUNDARY
	WATER BODY
	STREAMS
	ROADS



Prepared by:
Montgomery County Dept. of Planning & Development, July 2002

Montgomery County does not warrant the correctness or accuracy of this data,
or assume any responsibility for any explicit or implied uses.

Sources:
Harrowers Water District Map, Morrell Vrooman Engineers, May 1950
Town of Amsterdam Route 30 Water Service Area Engineering Report, Holt Consulting, July 1996
Water District Map - Route 30 & Wallins Corners Road, Delaware Engineering, March 2001
Montgomery County Real Property Tax Service Agency



**WATER SYSTEM INTERMUNICIPAL
COOPERATION AGREEMENT**

EXHIBIT B

Property Parcel Listing Containing Tax Map Numbers

Exhibit B

Town of Amsterdam
Route 30 Water District
Included Properties

SBL

039-1-29
039-1-30
039-4-01
039-4-02
039-4-05
039-4-31
039-4-32
039-5-01
039-5-02
039-5-03
039-5-04
039-5-05
039-5-06
039-5-07
039-5-08
039-5-09
039-5-10
039.08-1-18.1
039.08-1-18.2
039.08-1-18.3
039.12-2-10.12
039.12-2-10.21
039.12-2-10.22
039.12-2-10.111
039.12-2-10.112
039.12-2-11
039.12-2-12.1
039.12-2-12.2
039.12-2-13
039.12-2-19
039.12-2-20.1
039.12-2-20.2
039.12-2-21
039.12-2-22

Exhibit B

Town of Amsterdam
Route 30 Water District Service Areas
Included Properties

SBL	SBL	SBL
AREA A	AREA D	AREA G
024.16-1-09	039.12-2-16	040.10-1-02.1
	040.09-1-03	
AREA B	040.09-1-05	AREA H
056.14-1-01	040.09-1-06	039-1-48
056.14-1-02	040.09-1-07	039-1-49
056.14-1-03	040.09-1-09	
056.14-1-05	040.09-1-10	AREA I
056.14-1-08	040.09-1-11	040.18-1-07
056.14-1-09	040.09-1-12	
056.14-1-10	040.09-1-13	AREA J
056.14-1-11	040.09-1-14	039.08-1-32
056.14-1-13	040.09-1-15	
056.14-1-19	040.09-1-16	AREA K
056.14-1-21	040.09-1-19	056-1-31
056.14-1-23	040.09-1-25	
056.14-1-26	040.09-1-26	Parcels to Be Added 2002
056.14-1-27	040.09-1-27	025.17-1-2
056.14-1-28	040.09-1-28	039.08-1-29
056.14-1-32	040.09-1-30	039.12-2-23
056.14-1-33	040.09-1-31	039.12-2-25
056.14-1-34	040.09-1-32	040.01-1-32
056.14-1-35		040.14-1-12
056.14-1-40.1	AREA E	056.03-1-3
056.14-1-41	039.08-1-27	056.03-1-6.2
056.14-1-44	039.08-1-28	056.14-1-40.2
	039.08-1-34	
AREA C	039.12-2-04	
040.14-1-06		
040.14-1-07	AREA F	
040.14-1-10	056.14-1-15	
040.14-1-13	056.14-1-18	
040.14-1-14	056.14-1-24	
040.14-1-17	056.14-1-25	
040.14-1-22	056.14-1-36	
040.14-1-25	056.14-1-37	
040.14-1-29		
040.14-1-30		
040.14-1-33		
040.14-1-34		
040.14-1-35		
040.14-1-36		
040.14-1-39		

7/22/2002

Exhibit B

Town of Amsterdam
Wallins Corners Rd Water District
Included Properties

SBL

024.16-1-10
024.16-1-11
024.16-1-12.1
024.16-1-12.2
024.16-1-14
024.16-1-15.1
024.16-1-15.2
024.20-1-18
024.20-1-19
024.20-1-20
024.20-1-21
024.20-1-22
024.20-1-23
024.20-1-24
025-1-05
025-1-06
025-1-08.1
025-1-09.1
025-1-09.2
025.13-1-05
025.13-1-06
025.13-1-07
025.13-1-08
025.13-1-09
025.13-1-10
025.13-1-11
025.13-1-12
025.13-1-13
025.13-1-14
025.13-1-15
025.13-1-16
025.13-1-17
025.13-1-19
025.13-1-22
025.13-1-24
025.13-1-25
025.13-1-26
025.13-1-30.1
025.13-1-30.2
025.13-1-30.3
025.13-1-31

Exhibit B

Town of Amsterdam
Harrower Water District
Included Properties

SBL	SBL	SBL	SBL
025.14-2-20	025.18-1-30	040.05-1-22	040.06-1-17
025.14-2-21	025.18-1-31	040.05-1-23	040.06-1-18
025.14-2-21.2	025.18-1-32	040.05-1-24	040.06-1-19
025.14-2-23	025.18-1-34	040.05-1-25	040.06-1-21
025.14-2-25	025.18-1-35	040.05-1-26	040.06-1-22
025.14-2-26	025.18-1-36	040.05-1-27	040.06-1-23
025.14-2-27	025.18-1-37	040.05-1-28	040.06-1-24
025.14-2-28	025.18-1-38	040.05-1-29	040.06-1-25
025.14-2-29	025.18-1-39	040.05-1-30	040.06-1-29
025.14-2-30	025.18-1-40	040.05-1-32	
025.14-2-31	025.18-1-41	040.05-1-34	
025.14-2-34	025.18-1-42	040.05-1-35	
025.18-1-01.1	025.18-1-43	040.05-1-36	
025.18-1-01.2	025.18-1-44	040.05-1-37	
025.18-1-02	025.18-1-46	040.05-1-38	
025.18-1-03	025.18-1-47	040.05-1-39	
025.18-1-04	025.18-1-48	040.05-1-40	
025.18-1-05	025.18-1-49	040.05-1-41	
025.18-1-06	025.18-1-50	040.05-1-42	
025.18-1-07	025.18-1-51	040.05-1-43.1	
025.18-1-08	025.18-1-52	040.05-1-43.2	
025.18-1-09	040.05-1-02	040.05-1-44	
025.18-1-10	040.05-1-04	040.05-1-45.2	
025.18-1-11	040.05-1-05	040.06-1-01	
025.18-1-12	040.05-1-06	040.06-1-02	
025.18-1-13	040.05-1-07	040.06-1-03	
025.18-1-14	040.05-1-09	040.06-1-04	
025.18-1-15	040.05-1-10	040.06-1-05	
025.18-1-16	040.05-1-11	040.06-1-06	
025.18-1-17	040.05-1-12	040.06-1-07	
025.18-1-18	040.05-1-13	040.06-1-08.1	
025.18-1-20	040.05-1-14	040.06-1-09	
025.18-1-21.1	040.05-1-15	040.06-1-10	
025.18-1-21.2	040.05-1-16	040.06-1-11	
025.18-1-23	040.05-1-17	040.06-1-12	
025.18-1-24	040.05-1-18	040.06-1-13	
025.18-1-26	040.05-1-19	040.06-1-14	
025.18-1-27	040.05-1-20	040.06-1-16	
025.18-1-28	040.05-1-21		
025.18-1-29			

Appendix B:

1999 Agreement between the City of Batavia and County of Genesee regarding regional water system cooperation and City / County tax sharing agreement.

EFFECTIVE
JAN 29 2000

FINAL
AGREEMENT
PASSED BY
RES. # 417
10-27-99

AGREEMENT

This Agreement made this ____ day of _____, 1999 by and between the City of Batavia a municipality in the County of Genesee and State of New York with offices at 10 West Main Street, Batavia, New York 14020 hereinafter referred to as the "City" and County of Genesee, with offices at County Building No. 1, Main and Court Streets, Batavia, New York 14020, and/or an assignee with the authority to own, lease, and/or operate a municipal water system or systems and/or to supply municipal water produced by others; hereinafter referred to as the "County".

WHEREAS, the County and the City have agreed to work together long term to enhance economic development within all of Genesee County, consistent with Smart Growth and associated countywide sales tax revenues, and for the City to share equitably such countywide economic development revenues; and

WHEREAS, the County established the Genesee County Water Resources Agency by County Resolution No.495 of 1999 consisting of nine members appointed by the County and for purposes of guiding the water supply decisions and actions by the County relative to all aspects of the proposed countywide, coordinated, comprehensive and integrated water supply system; and

WHEREAS, the creation of a countywide, coordinated, comprehensive, and integrated

County water supply system is an essential "infrastructure component" to enable the above countywide economic development; and

WHEREAS, the County requires the use of and access to the City's existing water treatment and water supply facilities; water transmission system; and customer base to create the above countywide water supply system; and

WHEREAS, the City desires to continue to use its current water supply sources (Tonawanda Creek and Cedar Street Well Field) vs. "outside sources" to supply the City as long as said existing sources are viable, cost effective, and in compliance with applicable State and Federal standards and requirements; and

WHEREAS, the City agrees to have the County assume responsibility for the production, treatment, operation, maintenance and/or supply of municipal water supply in compliance with Federal and State standards, regulations for the City and environs; and

WHEREAS the County desires to assume the responsibility for said water supply and/or production/treatment; and

WHEREAS, the County has developed a plan to so supply the City and included it in its Environmental Impact Statement dated February 1999.

NOW THEREFORE, pursuant to General Municipal Law Article 5-B, it is agreed as follows:

FIRST: TERM

The City shall lease to the County the City's Water Supply and Treatment Facilities, including but not limited to, the existing water treatment plant, clearwell, well field and raw water lines to the plant, existing water intake and waterlines from Tonawanda Creek to the plant hereinafter referred to as the "Facilities" located at Cedar Street and Lehigh Avenue for a period of forty (40) years beginning March 1, 2000 and ending February 28, 2040 (the "Term").

SECOND: RENT

For and in consideration of such lease, the County shall pay or cause to be paid to the City the annual rent for each year during the Term of this Agreement the amount of Five Hundred and Fifty Thousand Dollars (\$550,000.00). In addition to the above, in the event that implementation of the 1999 Sales Tax AGREEMENT (County Resolution No. 370 of 1999) between the City and the County is delayed beyond December 1, 1999, or that the AGREEMENT is later terminated by the County, the County will make an annual supplemental rent payment to the City, which shall equal any decrease in actual sales tax received by the City, as compared to the annual amount that the City would have received pursuant to Paragraph THIRD (B) of said Sales Tax AGREEMENT, if there was no termination or delay of said AGREEMENT.

On March 1, 2000, the County shall pay in rent an amount of \$45,833.33 for the period

of time between March 1, 2000 and April 1, 2000. Thereafter, all rent payments shall be made in equal quarterly payments (every three months) starting April 1, 2000.

THIRD: EQUIPMENT, ETC.

The County shall also pay or cause to be paid on April 1, 2000, to the City the sum of Seven Hundred Thousand Dollars (\$700,000.00) for and in consideration of the transfer of title to, access to, and/or rights to the County of certain machinery, equipment, tools, books, records, reports, maps, plans, specifications, information and other relevant documents, files, and/or property (the "Property") used in connection with said facility and City water transmission system. The Property shall be transferred by the City and accepted by the County, without any warranty expressed or implied and in "as is" condition.

FOURTH: FACILITIES

The County or its designee shall assume the complete responsibility for the maintenance and operation of the Facilities. The City agrees to enter into an operational agreement with the County or its designee to operate and maintain the Facilities. Said Agreement shall include such items as line leakage, insurance coverage, personnel requirements, payment schedules and other operational needs of the Facilities.

The City shall receive fair and equitable annual compensation, to be received on a quarterly basis, in addition to the monies described above. This payment shall be consistent with past City operation and maintenance costs and flows plus other adjustments due to inflation,

treatment process changes, maintenance upgrades, and other required improvements or changes financed and/or approved by the County.

FIFTH: COUNTY TO PROVIDE CITY REQUIREMENTS

The County shall produce or shall cause to be produced at the Facilities, or to acquire from other sources, water which shall meet all current and future applicable New York and Federal Public Drinking Water Regulations and Standards and shall provide water in such quantities and pressure as may be required by the City for residential, commercial and industrial use including use by the City itself for fire fighting, public works and other municipal services. Finished water provided through this contract shall not exceed a hardness level of 140mg/l.

The County shall continue to use the City's existing water supply sources vs. "outside sources" to supply the City as long as said existing sources are viable, cost effective, and in compliance with applicable State and Federal standards/regulations and no change shall be made to the City's supply source without the mutual agreement of the City and the County.

The County shall assume all requirements of any Water Districts in the Town of Batavia whether now in existence or created during the Term and any other districts in any adjoining Town, Towns or Villages to the full extent of their collective requirements during the term of the Lease.

SIXTH: CITY TO PURCHASE EXCLUSIVELY FROM COUNTY

The City agrees to purchase potable water exclusively from Genesee County during the

Term.

SEVENTH: COUNTY TO SUPPLY OUTSIDE CITY

On the effective date of this Agreement, the City does hereby assign to the County all of its rights and obligations pursuant to an Agreement to provide water, by and between the City of Batavia and the Town of Batavia, dated May 13, 1969; and the County hereby agrees to indemnify and hold harmless the City from all claims, losses, costs and damages arising out of any activities undertaken by the County hereinafter pursuant to the terms and conditions of this said Town of Batavia Agreement, including the cost of settling any actions and reasonable attorney's fees for defense. Other consumers in the Town of Batavia, outside the City, currently being served by the City's distribution system, will continue to receive water supply from the City at the same rate as the City or they shall be able to form Town of Batavia Water Districts and receive service from the County. Similarly, customers in the City of Batavia currently being served by Town of Batavia water districts shall continue to receive water supply from the districts at the same rate as district customers.

EIGHTH: WATER RATES

The County shall sell, or cause to be sold, such water to the City on a wholesale basis and as measured by a "master meter" at the treatment plant owned and operated by the City and jointly read by the City and County. Any cost of maintenance of said meter shall be borne by the City and reimbursed to the City as part of the reimbursement costs provided in paragraph FOURTH.

The "1999 base rate", period ending 12/31/99, for said water purchased by the City shall be \$1.40/1000 gallons. An additional \$.60/1000 gallons shall be charged to partially cover the cost of the project. On April 1 of each subsequent year, the \$1.40/1000 gallon rate may be adjusted not to exceed the Consumer Price Index (CPI) for All Consumers in the Northeast region.

If the County provides water for use by the City from a source other than the current City supply sources, as agreed to by the City and County pursuant to Paragraph FIFTH, the rate shall be the weighted average, based upon flow, of the inflated 1999 base rate for the existing City sources and the rate actually charged to the County for "other sources" plus \$.60/1000gallon.

In the event of material changes to the current applicable Federal and State regulations/standards effecting the cost of producing treated water, as provided for herein, the parties agree to review the above "1999 base rate" of \$1.40/1000 gallons and to negotiate in "good faith" to equitably adjust said "base rate" to reflect any associated increased cost of treatment attributed to said new regulations/standards.

NINTH: TRANSMISSION AND DISTRIBUTION

The City shall remain responsible for the maintenance, billing, servicing, repair, replacement, operation, metering and any and all aspects of its distribution system for such water after it has left the Facilities and passed through the master meter.

TENTH: TRANSMISSION TO USERS OUTSIDE CITY

The City hereby agrees to permit the transmission of water through its existing system to areas outside its geographic boundaries of such water as may be required by any water districts, other municipalities or other individual customers, for the Term without any additional charge.

The County and said "outside users" shall indemnify the City from any and all claims, costs and liabilities that may arise out of such service. This provision shall not require the City to provide water to users outside the City in such amounts as would materially adversely affect the City's ability to provide adequate water to its customer's within the City.

ELEVENTH: CITY WATER STORAGE TANK AND WATER FILTRATION PLANT

The City agrees, at such time as may be requested by the County, to convey to the County or its agents or assigns full ownership of the current water storage tank #1 located on Ellicott Street, and the County agrees to accept the same subject to the County having marketable or insurable title thereto and constructing, or causing to be constructed, a new water storage tank to serve the City water system with sufficient capacity such that when operated in conjunction with the existing City of Batavia water tank #2 located near the Veteran's Hospital and water treatment plant "clearwell", it will provide a two day "emergency conditions" supply of water for the City. Further, the County will then remove, or cause to be removed, the existing water storage tank #1 as well as maintain such tank after the above said time until it is decommissioned.

In the event the County abandons the City Water Filtration Plant, the County, at its cost,

shall decommission the plant and raze the site. If the storage tank is not decommissioned by January 1, 2002, the County shall maintain such tank in accordance with standards established by the AWWA.

TWELFTH: COUNTY INDEMNIFIES CITY

The County shall indemnify, save harmless and defend the City from any and all liability, cost, claims and expense arising out of any occurrence related, directly or indirectly, to the County's operation of the facilities.

THIRTEENTH: CITY INDEMNIFIES COUNTY

The City shall indemnify, save harmless and defend the County from any and all liability, cost, claims and expense arising out of any occurrence related, directly or indirectly to the City's ownership, control, operation, maintenance, repair, replacement, transmission or distribution of water through its system.

FOURTEENTH: LAW AND VENUE

This Agreement shall be interpreted pursuant to the Laws of the State of New York and any action to enforce it shall be brought in the County of Genesee.

FIFTEENTH: ASSIGNMENT OF AGREEMENT

The County and City both agree not to assign this Agreement without the approval of the other except that the County can assign this Agreement in whole or in part without such approval to a subsequently formed Genesee County Water District. Any such approvals will not be

unreasonably withheld by the City.

SIXTEENTH: GENESEE COUNTY WATER RESOURCES AGENCY

The County agrees to consult with the City regarding appointments to the Genesee County Water Resources Agency. Further the County agrees to maintain the number of members of the Agency at nine unless mutually agreed otherwise by the City and County, that the members shall be reasonably representative of the communities served, and not served, by the County water system, with at least two-thirds of the members from communities that directly or indirectly are served by the County system and that the Chairman or Vice Chairman shall be a member who resides within the City. Additionally, the County agrees that its actions under this agreement will be guided by and be consistent with the recommendations of the Agency.

SEVENTEENTH: PHASE II FACILITIES

The County agrees that it will not undertake the Phase II facilities, or similar ones, as described in the Genesee County Water Supply Program Final Environmental Impact Statement dated February, 1999, if undertaking such would materially change or adversely effect the use of the City's supply or source of water, its quality or quantity and/or its water cost, without the approval of the City. Said approval will not be unreasonably withheld by the City.

EIGHTEENTH: RENEWAL

The City and the County hereby agree to begin negotiations to extend their agreements as

set forth herein beyond the Term hereof, beginning in the thirty-fifth (35th) year hereof, to the effect that the general terms, conditions and mutual benefits will continue beyond the Term.

IN WITNESS WHEREOF, the parties have hereunto set their respective hands and seals the date first set forth above.

THE CITY OF BATAVIA

By: _____
President of the Common Council

COUNTY OF GENESEE

By: _____
Chairman of the Legislature

STATE OF NEW YORK)
COUNTY OF GENESEE)

On this ____ day of _____, 1999, before me came _____, to me personally known, who being by me duly sworn, did depose and say that he resides in _____; that he is the President of the Common Council of the City of Batavia, that he knows the seal of said City; that the seal affixed to said instrument is such seal; that it was so affixed by order of the Common Council of said City; and that he signed his name thereto by like order.

Notary Public

STATE OF NEW YORK)

COUNTY OF GENESEE)

On this ____ day of _____, 1999, before me came _____, to be personally known, who being by me duly sworn, did depose and say that he resides in _____; that he is the Chairman of the Legislature of the County of Genesee, that he knows the seal of said County; that the seal affixed to said instrument is such seal; that it was so affixed by order of the Legislation of said County; and that he signed his name thereto by like order.

Notary Public

**A RESOLUTION AUTHORIZING THE CITY COUNCIL
PRESIDENT TO EXECUTE A WATER AGREEMENT
WITH THE COUNTY OF GENESEE**

2. Motion of Councilperson:

WHEREAS, the City of Batavia and the County of Genesee have negotiated a Sales Tax Allocation Agreement which is being adopted by the City simultaneously herewith, and

WHEREAS, the City of Batavia and the County of Genesee have negotiated a proposed Agreement allowing the City of Batavia to become part of a countywide water system, and

WHEREAS, the City of Batavia has negotiated protections in this water Agreement which would allow the City to control its ultimate source or sources of water, as well as insuring price protections to the City and a continued level of revenue from the County in the event that the County terminates the Sales Tax Allocation Agreement, and

WHEREAS, the proposed Agreement for water, in conjunction with the aforesaid Sales Tax Allocation Agreement, is in the best interests of the City in order to stabilize revenues for the City and continue to provide a water supply which is adequate for all of the needs of the residents and businesses of Batavia in a safe, efficient, and economical manner.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Batavia that the City Council President is hereby directed and authorized to execute on behalf of the City an Agreement by and between the City of Batavia and the County of Genesee whereby the City shall lease to the County the City's water supply and treatment facilities for a term of forty (40) years pursuant to the terms and conditions as more fully set forth in said Agreement.

**Seconded by Councilperson
and on roll call**

Appendix B:

1995 Agreement between the Monroe County Water Authority and the Wayne County Water & Sewer Authority by which the Wayne County Water & Sewer Authority purchases water at wholesale from the Monroe County Water Authority.

COPY

AGREEMENT FOR WHOLESALE WATER SUPPLY
TO THE WAYNE COUNTY WATER & SEWER AUTHORITY

AGREEMENT made this 22 day of December 1995 between the MONROE COUNTY WATER AUTHORITY, a public benefit corporation with its office at 475 Norris Drive, in the City of Rochester, Monroe County, New York, hereinafter referred to as the "MCWA", and the WAYNE COUNTY WATER & SEWER AUTHORITY, Wayne County, New York, a public benefit corporation, hereinafter referred to as the "WCW&SA".

WHEREAS, the WCW&SA desires to sell water to and within all the Towns included within the legal limits of Wayne County; and

WHEREAS, the WCW&SA has entered into agreements to sell water to and within the Towns of Walworth, Marion, Macedon, Arcadia and Palmyra; and

WHEREAS, the MCWA has an Agreement with the Town of Macedon to supply water on a wholesale basis to the Town of Macedon, and the MCWA desires to continue to supply water to the Town of Macedon in accordance with its Agreement; and

WHEREAS, the WCW&SA desires to obtain a supply of water from the MCWA for its current and future service areas within Wayne County; and

WHEREAS, the MCWA is willing to sell water for use within Wayne County to the WCW&SA on a wholesale basis and to suspend the terms of its agreement with the Town of Macedon while this Agreement is in effect, all as more fully provided herein;

NOW, THEREFORE, it is mutually agreed as follows:

1. The MCWA agrees to sell and the WCW&SA agrees to purchase from the MCWA at metered connections water of the same quality and content as furnished to other MCWA customers during the term of this Agreement.
2. The WCW&SA shall purchase a minimum of 340 MG (million gallons) per year from the MCWA by the calendar year 2000. This shall be considered to be the total demands for the Town and Village of Macedon.
3. The WCW&SA shall purchase from the MCWA a minimum annual amount of water on a take-or-pay basis. The minimum annual purchase

amount shall be set in accordance with Appendix C through the year 2000 (as adjusted pursuant to Section 8 hereof), and thereafter shall be set annually equal to the three-year rolling average of water actually purchased, which amount shall not decline. Any daily take-or-pay payments made pursuant to Paragraph 8 hereof for water not actually delivered to the WCW&SA shall be credited against the annual payment due pursuant to this Paragraph upon the submission by WSW&SA of the calculation of the amount of credit requested.

4. The minimum annual purchase amount may be adjusted downward, and shared proportionally with the other WCW&SA water suppliers (Towns of Ontario and Williamson), due to the loss, without replacement in kind, of a major customer (one of the 6 largest retail customers or the Village of Macedon) located in the service area of the WCW&SA jointly supplied by MCWA, Ontario and Williamson, not including any customers within the Towns of Ontario or Williamson. Any such adjustment must be requested in writing by the WCW&SA, and approved by the Executive Director of the MCWA, who shall not unreasonably withhold such approval.

5. The MCWA agrees to make available to the WCW&SA quantities of water sufficient to meet its requirements for service through 2000 subject to the maximum amounts per year set forth in Appendix C (as adjusted pursuant to Section 8 hereof), and thereafter will provide for a maximum guaranteed increase of 60 MG per year. The MCWA commitment to increase its supply of water beyond 2000 is limited to no more than 60 MG in any one year above the prior three-year rolling average of water actually purchased. In the event MCWA supplies, at its discretion, water in excess of an additional 60 MG in any one year, the subsequent year's maximum commitment shall be computed without regard to any water voluntarily sold by MCWA during such prior year in excess of its 60 MG guaranteed increase commitment. The MCWA commitment to supply water during the term of this Agreement shall never exceed 4.2 MG per average day (1533 MG per year).

6. If the WCW&SA requires a supply of water in excess of the amounts provided for in Paragraph 5, then MCWA shall have sufficient notice provided by the WCW&SA to fully consider the supply requirements, and to determine what, if any, improvements need to be made to the MCWA system, and the WCW&SA shall be responsible for the full cost of those improvements required to be made in Monroe County, unless the parties hereto agree otherwise. Further increases in supply to WCW&SA beyond 4.2 MG per average day are subject to the good faith review and amendment of this Agreement by both parties.

7. The MCWA agrees to sell and the WCW&SA agrees to pay for water taken by the WCW&SA in accordance with the MCWA's Rules for the Sale of Water and Collection of Rents and Charges, as the same may be amended and from time to time, during the term of this Agreement. The rate shall not exceed 110% of the Wholesale Rates charged to water districts in Monroe County.

8. (a) The WCW&SA shall purchase its water subject to minimum and maximum daily amounts. The minimum daily purchase amount shall be take-or-pay and, on and after January 1, 1999, shall be set annually based upon 75% of the three year annual rolling average amount of water actually purchased divided by 365 days (an "average day") and the maximum daily purchase amount shall be 150% of the average day.

(b) For 1996, the average day shall be computed based upon the amount set forth in a certificate delivered by WCW&SA to MCWA on or before January 15, 1996 (the "1995 Determined Amount") divided by 365. The 1995 Determined Amount shall in no event be less than 300 MG nor exceed 400 MG. In the event the 1995 Determined Amount is in excess of 300 MG, the Minimum Annual Purchase Amounts set forth in Appendix C shall be increased by the amount by which the 1995 Determined Amount exceeds 300 MG. In the event no certificate is delivered by WCW&SA on or before January 15, 1996, the 1995 Determined Amount shall be deemed to be 300 MG.

(c) For 1997, the average day shall be computed based upon both the 1995 Determined Amount and the amount of water actually purchased in 1996 divided by 731. For 1998, the average day shall be computed based upon adding the 1995 Determined Amount and the amount of water actually purchased for each of 1996 and 1997 and dividing by 1096.

(d) The daily amount of water purchased by WCW&SA shall be measured for consistent 24-hour periods. Both parties shall have access, at their own expense, to any measuring devices from time to time used to meter water sold pursuant to this Agreement.

9. The WCW&SA shall be subject to a surcharge (in addition to the regular charges for water) on all water used in excess of the maximum daily purchase amount (see Paragraph 8). The surcharge shall be 100% of the price charged for water in excess of 150% of the average day, calculated under the prevailing rate schedule, so that the price for such water is effectively doubled. See Appendix A.

10. The MCWA agrees to furnish a supply of water through existing metered connections to the WCW&SA's system and/or through additional metered interconnections which may be constructed from time to time to facilities of the MCWA and/or other water districts.

11. All future connections to facilities owned or leased by the MCWA shall be approved by the MCWA before construction. All connections shall be metered. All meters shall be of a type approved by the MCWA. All future connections to facilities owned or leased by the MCWA and installation of water meters shall be made by the MCWA or under its supervision and direction, at such locations and in such a manner as the MCWA and other appropriate parties, depending on source and ownership, shall direct. The full cost and expense of all work, supplies, meters, materials and other facilities required for such future interconnections requested by the WCW&SA, regardless of who shall have furnished or installed the same, shall be borne and paid for by the WCW&SA. The MCWA shall only connect to the WCW&SA facilities where the WCW&SA agrees they shall do so. WCW&SA shall give MCWA prior written notice of all future extensions of its water systems, connection to other water systems or other similar extensions or expansions where MCWA water will be used.

12. In the event that pressure in the WCW&SA's mains shall be inadequate and the use of pumps is necessary, they shall be installed, operated and maintained by and at the expense of the WCW&SA. No pumps shall be installed for the purpose of taking water from MCWA without the written permission of the MCWA; provided, however, that MCWA acknowledges the installation by WCW&SA of a pump station at the Route 441 connection described in Paragraph 23 hereof.

13. The WCW&SA will maintain at least one day's storage and not peak from MCWA in excess of 150% of its average day, or the WCW&SA shall otherwise be subject to water restriction by the MCWA, including the option to restrict or reduce flows into WCW&SA service area.

14. It is understood and agreed that the MCWA makes no guarantee as to pressure, quantity or continuity of service, and shall not, under any circumstances, be held liable for loss or damage from a deficiency or failure in the supply of water, whether caused by shutting off of water in case of accident or for alterations, extensions, connections or repairs, or for any cause whatsoever, other than such loss or damage, deficiency or failure caused by the carelessness, fault or neglect of the MCWA, its agents, servants, assigns and employees. In the event of an emergency or other necessity, the MCWA shall have the right to shut off or reduce the flow of water for such periods as are necessary. For emergencies or

the implementation of the peak use restrictions referred to in Paragraph 8, the MCWA will give WCW&SA prior notice of any shut off or flow reduction as soon as reasonably practicable for the circumstances. In all other cases, the MCWA shall give the WCW&SA notice at least 24 hours prior to any shut off or flow reduction. The MCWA shall restore service and make water available as soon as it can reasonably do so.

It is expressly understood and agreed that the furnishing of water and the performance of services by the MCWA to the WCW&SA shall be in accordance with, and governed in all respects by the MCWA's Rules for the Sale of Water and the Collection of Rents and Changes and any changes, amendments or revisions thereof, and Subpart 5-1, Public Water Supplies, of the New York State Sanitary Code.

List of meters to be tested

15. At each metered point of interconnection between the WCW&SA and the facilities of the MCWA (whether owned or leased), it is hereby agreed that the meter will be maintained within the accuracy limits as specified for repair of meters in the then latest revision of the A.W.W.A. standards for testing coldwater meters, Series C-700. Irrespective of which party owns the meters, the right and obligation to maintain the meter is hereby vested in the MCWA and the cost of such maintenance shall be the responsibility of the MCWA. Either party shall have the right to test at its own expense the meter accuracy at any reasonable time.

If an independent test shows that a meter has stopped registering or is improperly registering at a metered interconnection, the MCWA will estimate consumption based upon actual consumption during the corresponding months of previous years or such other method as may be reasonable and is agreed upon by both parties. The MCWA will promptly repair such a meter as herein provided.

16. Except for the service areas detailed in Appendix B hereof, the WCW&SA agrees not to resell or redistribute water purchased from the MCWA to any municipality or any other water district or any other customers outside of or beyond the limits of Wayne County unless the written consent of the MCWA is first obtained. In an emergency, such consent shall not be unreasonably withheld.

17. Customers located outside of Wayne County and within Monroe County, shall be customers of the MCWA. The WCW&SA agrees to allow such customers to connect to its facilities, if available, for the purpose of receiving water supply, 110% of the total of metered use of such customers to be deducted from the wholesale charges to the WCW&SA; provided, however, that nothing in this Agreement shall prohibit the WCW&SA from charging such customers a

reasonable fee for such connection. The MCWA will install, own and maintain the connections in the rights of way in accordance with its Rules for the Sale of Water and the collection of Rents and Charges, as the same may be amended from time to time and in effect, during the term of this Agreement. Any purchases by such customers shall not be used in the computation of any daily or annual minimum or maximum sales quantities provided for in this Agreement.

18. The effectiveness of this Agreement is subject to approval of the State Department of Environmental Conservation, and the WCW&SA will make application for such approval with the full assistance and cooperation of the MCWA.

19. The WCW&SA agrees that the MCWA may use the facilities of the WCW&SA and its water districts and any extension thereto without the imposition of any rentals or other charges therefor, to supply water into the Towns of Victor and Farmington at a peak daily capacity not in excess of 200,000 gallons, except that 110% of the metered use may be deducted from the wholesale charges to the WCW&SA. The MCWA agrees that such use by it of the facilities of the WCW&SA shall not reduce, below accepted standards and taking into consideration the actual customers of WCW&SA from time to time, the supply or pressure of water then being supplied by the MCWA to the WCW&SA under this Agreement. Any purchases by such customers shall not be used in the computation of any daily or annual minimum or maximum sales quantities provided for in this Agreement.

20. Each party will give all reasonable assistance to the other in the case of an emergency.

21. Should any water restrictions or allocations become necessary, and the WCW&SA is operating within the limitations of this Agreement, the WCW&SA would be treated the same as similarly situated towns in Monroe County.

22. All terms of the Agreement between the Town of Macedon and MCWA shall be suspended so long as this Agreement is in effect, however, if this Agreement should ever become void or unenforceable, or WCW&SA shall materially breach this Agreement, the parties acknowledge that the full terms and conditions of the Macedon Agreement shall be restored to full force and effect for the remaining term thereof.

23. The MCWA will install an additional connection to the WCW&SA on Route 441, as agreed to by the MCWA in its Agreement with

Macedon. The installation of this connection by the MCWA also satisfied the MCWA commitment to install an additional connection to Macedon.

24. This Agreement shall have a term of forty (40) years from the date hereof.

IN WITNESS WHEREOF, the parties hereto have caused their corporate seals to be hereunto affixed and this Agreement to be signed by its duly authorized officers the day and year first above written.

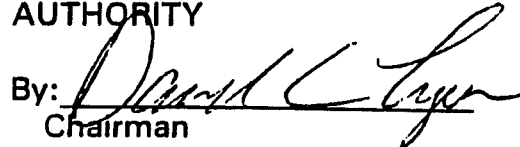
AUTHORITY

MONROE COUNTY WATER

By: 
Executive Director

By: 
Chairman

WAYNE COUNTY WATER & SEWER
AUTHORITY

By: 
Chairman

STATE OF NEW YORK) SS:
COUNTY OF MONROE)

On this 22 day of December, 1995, before me personally appeared JOHN A. STANWIX, to me known, who, being by me duly sworn deposes and says that he resides in the County of Monroe, New York; that he is the Executive Director of the MONROE COUNTY WATER AUTHORITY, described herein, and which executed the foregoing agreement; that he knows the seal of said corporation; that the seal affixed to said agreement is such corporate seal; that it was so affixed by order of the Members of said corporation, and that he signed his name thereto by like order.

JENNIE GUY
Notary Public, State of New York
Qualified in Monroe County
Commission Expires June 25, 1996

Jennie Guy
Notary Public

STATE OF NEW YORK) SS:
COUNTY OF MONROE)

On this 22 day of December, 1995, before me personally appeared JOHN J. SCHANTZ, to me known, who, being by me duly sworn deposes and says that he resides in the County of Monroe, New York; that he is the Chairman of the MONROE COUNTY WATER AUTHORITY, described herein, and which executed the foregoing agreement; that he knows the seal of said corporation; that the seal affixed to said agreement is such corporate seal; that it was so affixed by order of the Members of said corporation, and that he signed his name thereto by like order.

JENNIE GUY
Notary Public, State of New York
Qualified in Monroe County
Commission Expires June 25, 1996

Jennie Guy
Notary Public

STATE OF NEW YORK) SS:
COUNTY OF WAYNE)

On this 22 day of December, 1995, before me personally appeared DAVID LYON, to me known, who, being by me duly sworn deposes and says that he resides in the County of Wayne, New York; that he is the Chairman of the Wayne County Water & Sewer Authority, described herein, and which executed the foregoing agreement; that he knows the seal of said corporation; that the seal affixed to said agreement is such corporate seal; that it was so affixed by order of the Board of Trustees of the Wayne County Water & Sewer Authority and that he signed his name thereto by like order.

JENNIE GUY
Notary Public, State of New York
Qualified in Monroe County
Commission Expires June 25, 1996

Jennie Guy
Notary Public

APPENDIX A

For illustrative purposes only. Actual costs subject to current rates,
and as amended from time to time, in effect through term of Agreement.

For example:	Average Day	= .500 MG
	Maximum Daily Limit	= .750 MG
	Minimum Daily Limit	= .375 MG
	Standby Day	= .450 MG

Wholesale Commodity Charge	= \$1.00/1000 gal
Out-of-county 10% surcharge	= .10/1000 gal
Standby (May-September) Charge	= .70/1000 gal

Example	Daily Qty. Purchased	Cost of Water Per Commodity	Per 100 Gallons O-O-C	Excess Standby	Surcharge	Total	Daily Cost
January 5	.400 MG	\$1.00	\$0.10	n/a	n/a	\$1.10	\$440
February 9	.800 MG						
First	.750 MG	\$1.00	\$0.10	n/a	0.00	\$1.10	825
Next	.050 MG	\$1.00	\$0.10	n/a	\$1.10	\$2.20	<u>110</u>
							935
June 12	.600 MG						
First	.450 MG	\$1.00	\$0.10	0	n/a	\$1.10	495
Next	.150 MG	\$1.00	\$0.10	\$0.70	n/a	\$1.80	<u>270</u>
							765
June 28	.900 MG						
First	.450 MG	\$1.00	\$0.10	0	0	\$1.10	495
Next	.300 MG	\$1.00	\$0.10	\$0.70	0	\$1.80	540
Next	.150 MG	\$1.00	\$0.10	\$0.70	\$1.80	\$3.60	<u>540</u>
							1575
December 3	.100 MG						
MinDay	.375 MG	\$1.00	\$0.10	n/a	n/a	\$1.10	412.50

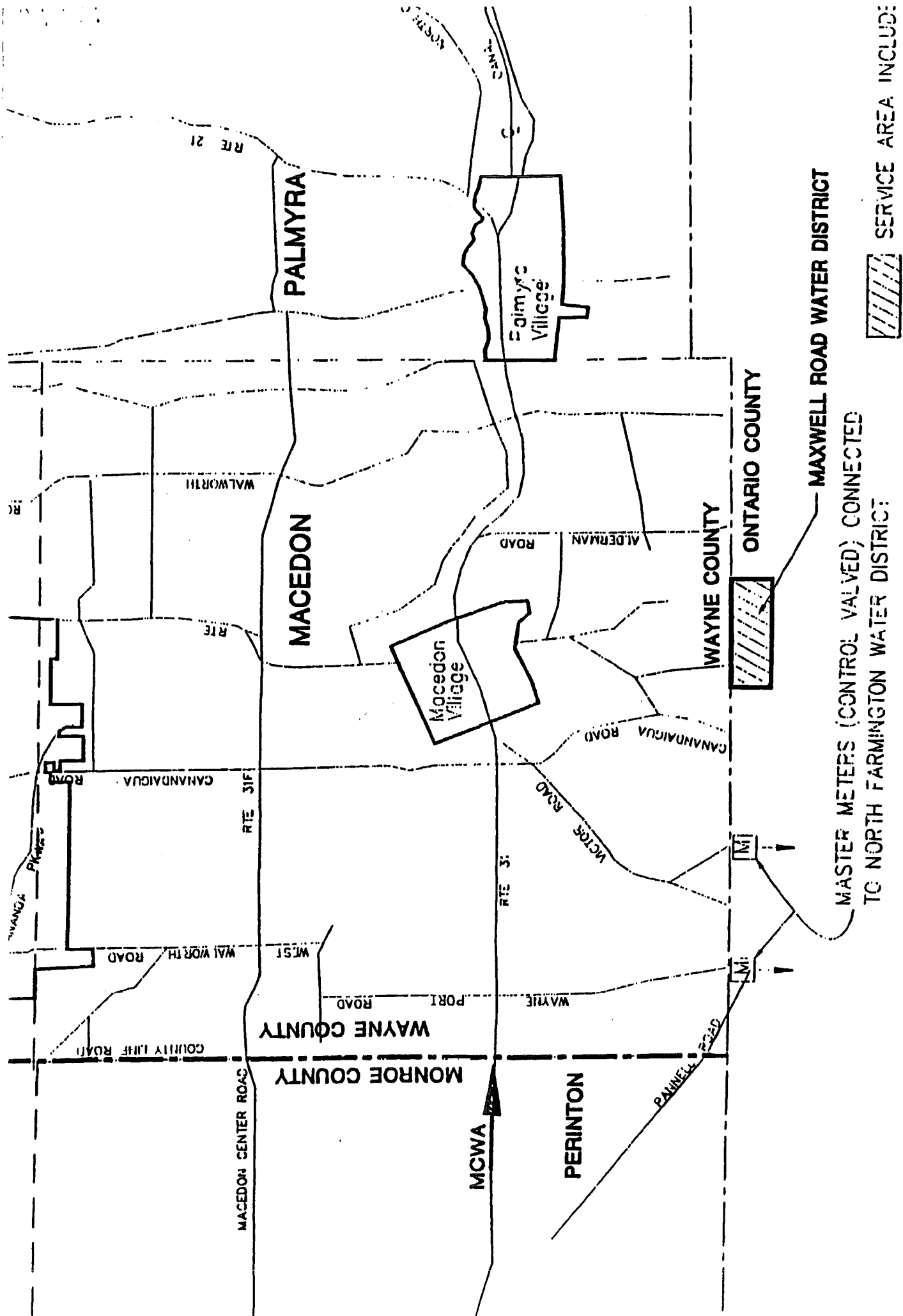
NOTES:

Average Day is defined as the total quantity of water purchased by WCW&SA in the prior three calendar years divided by the number of days. (See Paragraph 8)

· **Maximum Daily Limit** is defined as 150% of (or 1.5 times) the Average Day.

Minimum Daily Limit is defined as 75% of (or 0.75 times) the Average Day.

Standby Day is defined as the average daily gallons purchased by the WCW&SA from the MCWA as measured during the preceding October through April period, or other period as determined in the current rate schedule in effect.



ONTARIO COUNTY AREA SUPPLIED FROM WCMRCA VIA TOWN OF MACEDON

APPENDIX C
(subject to adjustment pursuant to Section 8)

	Minimum Annual Purchase Amounts	Maximum Available Annual Supply
Beginning Basis (Actual Purchase Amount)		
1996	260.000 MG	400 MG
1997	280.000 300.000 MG	460 MG
1998	300.000 320.000 MG	520 MG
1999	320.000 340.000 MG	580 MG
2000	340.000 360.000 MG	640 MG

WAYNE CNTY WITHOUT STANDEY LOT CH

2000 AVERAGE DAY

845

(1038831 WGT1000-144)

MAX DAY CON: (Avg X 1.5)

1418

MINIMUM DAY CON:

709

STANDEY CON:

2000 COMMODITY CHG1000 BAL

1.41

STANDEY CHANGE

0.65

EXCESS SURCHARGE W/STANDEY

2.08

WAYNE COUNTY WATER AUTHORITY
2000

DATE	RT 31 READ	RT 31 CONS	RT 41 READ	RT 41 CONS	COMBINED CONS	COST	EXC GAL OVER MAX	EXCESS SURCHG	MIN CONS	MIN CHARGE	TOTAL COST
1 JANUARY	0	0	31445	0	0	\$0.00	0	\$0.00	0	\$0.00	\$0.00
2	0	0	31445	0	0	\$0.00	0	\$0.00	0	\$0.00	\$0.00
3	0	0	31445	0	0	\$0.00	0	\$0.00	0	\$0.00	\$0.00
4	0	0	31445	0	0	\$0.00	0	\$0.00	0	\$0.00	\$0.00
5	0	0	31445	0	0	\$0.00	0	\$0.00	0	\$0.00	\$0.00
6	0	0	31445	0	0	\$0.00	0	\$0.00	0	\$0.00	\$0.00
7	0	0	31445	0	0	\$0.00	0	\$0.00	0	\$0.00	\$0.00
8	0	0	31445	0	0	\$0.00	0	\$0.00	0	\$0.00	\$0.00
9	0	0	31595	0	0	\$0.00	0	\$0.00	0	\$0.00	\$0.00
10	0	0	31595	0	0	\$0.00	0	\$0.00	0	\$0.00	\$0.00
11	0	0	31595	0	0	\$0.00	0	\$0.00	0	\$0.00	\$0.00
12	0	0	31595	0	0	\$0.00	0	\$0.00	0	\$0.00	\$0.00
13	0	0	31595	0	0	\$0.00	0	\$0.00	0	\$0.00	\$0.00
14	0	0	31595	0	0	\$0.00	0	\$0.00	0	\$0.00	\$0.00
15	0	0	31595	0	0	\$0.00	0	\$0.00	0	\$0.00	\$0.00
16	0	0	31595	0	0	\$0.00	0	\$0.00	0	\$0.00	\$0.00
17	0	0	31595	0	0	\$0.00	0	\$0.00	0	\$0.00	\$0.00
18	0	0	31595	0	0	\$0.00	0	\$0.00	0	\$0.00	\$0.00
19	0	0	31595	0	0	\$0.00	0	\$0.00	0	\$0.00	\$0.00
20	0	0	31595	0	0	\$0.00	0	\$0.00	0	\$0.00	\$0.00
21	0	0	31595	0	0	\$0.00	0	\$0.00	0	\$0.00	\$0.00
22	0	0	31595	0	0	\$0.00	0	\$0.00	0	\$0.00	\$0.00
23	0	0	31675	0	0	\$0.00	0	\$0.00	0	\$0.00	\$0.00
24	0	0	31675	0	0	\$0.00	0	\$0.00	0	\$0.00	\$0.00
25	0	0	31675	0	0	\$0.00	0	\$0.00	0	\$0.00	\$0.00
26	0	0	31675	0	0	\$0.00	0	\$0.00	0	\$0.00	\$0.00
27	0	0	31675	0	0	\$0.00	0	\$0.00	0	\$0.00	\$0.00
28	0	0	31675	0	0	\$0.00	0	\$0.00	0	\$0.00	\$0.00
29	0	0	31675	0	0	\$0.00	0	\$0.00	0	\$0.00	\$0.00
30	0	0	31675	0	0	\$0.00	0	\$0.00	0	\$0.00	\$0.00
31	0	0	31675	0	0	\$0.00	0	\$0.00	0	\$0.00	\$0.00
1 FEBRUARY	0	0	31675	0	0	\$0.00	0	\$0.00	0	\$0.00	\$0.00
TOTAL	0	0	0	0	0	\$0.00	0	\$0.00	0	\$0.00	\$0.00

AVER COST/1000 GAL=

#01/01

Base Charge
CITY CR
10% DTR CR

\$0.00
\$0.00
\$0.00

WAYNE_CNTRY_WITHOUT_STANDBY_LOT.CH

WAYNE COUNTY WATER AUTHORITY
1999

1998 AVERAGE DAY 905
(90505 INCHES-999)
MAX DAILY CONS: (Avg X 1.5) 1357
MINIMUM DAILY CONS: (Avg X .75) 679
STANDBY CONS: 1.38
1998 COMMODITY CHG/1000 GAL 0.65
STANDBY CHARGE 2.03
EXCESS SURCHARGE W/STANDBY

DATE	RT 31 READ	RT 31 CONS	RT 441 READ	RT 441 CONS	COMBINED CONS	COST	EXC GAL OVER MAX	EXCESS SURCHG	MIN CONS	MIN CHARGE	TOTAL COST
1 DECEMBER	520790	660	56580	0	660	\$0.00	0	\$0.00	679	\$937.02	\$937.02
2	521450	610	56575	-5	605	\$0.00	0	\$0.00	679	\$937.02	\$937.02
3	522080	620	56575	0	620	\$0.00	0	\$0.00	679	\$937.02	\$937.02
4	522690	690	56575	0	690	\$952.20	0	\$0.00	0	\$0.00	\$952.20
5	523370	800	56575	0	800	\$1,104.00	0	\$0.00	0	\$0.00	\$1,104.00
6	524170	690	56575	0	690	\$952.20	0	\$0.00	0	\$0.00	\$952.20
7	524680	690	56575	0	690	\$0.00	0	\$0.00	679	\$937.02	\$937.02
8	525520	690	56575	0	690	\$0.00	0	\$0.00	679	\$937.02	\$937.02
9	526170	650	56575	0	650	\$0.00	0	\$0.00	0	\$0.00	\$938.40
10	526855	665	56570	-5	660	\$938.40	0	\$0.00	0	\$0.00	\$938.40
11	527450	595	56570	0	595	\$0.00	0	\$0.00	679	\$937.02	\$937.02
12	528165	715	56570	0	715	\$966.70	0	\$0.00	0	\$0.00	\$966.70
13	528625	760	56570	0	760	\$1,048.80	0	\$0.00	0	\$0.00	\$1,048.80
14	528980	935	56570	0	935	\$1,290.30	0	\$0.00	0	\$0.00	\$1,290.30
15	529625	1070	56565	-5	1065	\$1,545.80	0	\$0.00	0	\$0.00	\$1,545.80
16	530380	1120	56570	0	1120	\$1,469.70	0	\$0.00	0	\$0.00	\$1,469.70
17	532050	1090	56565	0	1090	\$1,504.20	0	\$0.00	0	\$0.00	\$1,504.20
18	534140	1000	56565	0	1000	\$1,380.00	0	\$0.00	0	\$0.00	\$1,380.00
19	535230	1090	56565	0	1090	\$1,504.20	0	\$0.00	0	\$0.00	\$1,504.20
20	536350	1120	56565	0	1120	\$1,545.80	0	\$0.00	0	\$0.00	\$1,545.80
21	537420	1070	56565	0	1070	\$1,478.60	0	\$0.00	0	\$0.00	\$1,478.60
22	538405	985	56560	-5	980	\$1,352.40	0	\$0.00	0	\$0.00	\$1,352.40
23	539465	1060	56560	0	1060	\$1,462.80	0	\$0.00	0	\$0.00	\$1,462.80
24	540570	1105	56560	0	1105	\$1,524.90	0	\$0.00	0	\$0.00	\$1,524.90
25	541470	900	56560	0	900	\$1,242.00	0	\$0.00	0	\$0.00	\$1,242.00
26	542465	995	56560	0	995	\$1,373.10	0	\$0.00	0	\$0.00	\$1,373.10
27	543595	1130	56560	0	1130	\$1,559.40	0	\$0.00	0	\$0.00	\$1,559.40
28	544640	1045	56555	-5	1040	\$1,435.20	0	\$0.00	0	\$0.00	\$1,435.20
29	545775	1135	56555	0	1135	\$1,586.30	0	\$0.00	0	\$0.00	\$1,586.30
30	546885	1110	56555	0	1110	\$1,531.80	0	\$0.00	0	\$0.00	\$1,531.80
31	548030	1145	56555	0	1145	\$1,590.10	0	\$0.00	0	\$0.00	\$1,590.10
1 JANUARY	549085	1055	56555	0	1055	\$1,455.90	0	\$0.00	0	\$0.00	\$1,455.90
TOTAL		26295		-25	26270	\$33,762.40	0	\$0.00	4074	\$5,622.12	\$39,404.52

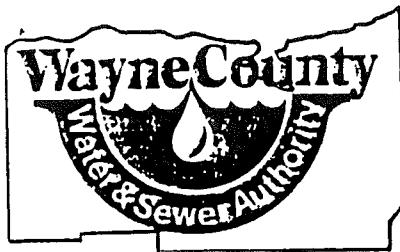
AVER COST/1000 GAL =

\$1.39

Base Charge
QTRLY CR
10% QTR CR

\$39,426.84

\$22.32



Tel. 315-946-5499

County Office Building
9 Pearl St., Lyons, NY 14489-1188

January 12, 1996

Mr. John Stanwix
Acting Executive Director
Monroe County Water Authority
475 Norris Drive
Rochester, NY 14610

***Re: Long Term Water Supply Agreement By & Between
Monroe County Water Authority &
Wayne County Water & Sewer Authority***

Dear Mr. Stanwix:

Pursuant to paragraph 8(b) of the recently executed Agreement, Wayne County Water & Sewer Authority hereby Commits to a Determined Amount of 320 million gallons/year for 1996.

It is our understanding that the Determined Amount will be the base amount used to compute the minimum and maximum daily demands and the respective pricing factors related thereto.

Please call me should you have any questions regarding this matter.

Very truly yours,

A handwritten signature in dark ink, appearing to read "David C. Lyons". The signature is fluid and cursive, with a large, stylized "D" and "L".

David C. Lyons, Chairman
Wayne County Water & Sewer Authority

Appendix B:

1997 Agreement between the Wayne County Water and Sewer Authority and the Board of the Town of Macedon Consolidated Water District by which the Wayne County Water and Sewer Authority will operate and maintain the water systems of the Towns of Macedon, Marion, Palmyra, Walworth and Arcadia.

AGREEMENT

COPY

between the
WAYNE COUNTY WATER AND SEWER AUTHORITY
and the
TOWN OF MACEDON

This Agreement is entered into as of 4/1/97, 1997, by and between the **Wayne County Water and Sewer Authority**, a public benefit corporation (the "Authority"), and the Board of the **Town of Macedon**, a municipal corporation, on its own behalf and on behalf of the Consolidated Water District (the "Town").

Currently the Towns of Macedon, Marion and Walworth, the Village of Macedon, and part of the Town of Palmyra obtain their public water supply from the Authority pursuant to an Inter-Municipal Agreement dated August 1, 1992, and an Addendum No. 1 thereto, dated effective December 31, 1993, between such Towns and the Towns of Ontario and Williamson as water suppliers, which agreements provide for the Authority to supply water to each of such municipalities and to purchase water from the Towns of Ontario and Williamson and the Monroe County Water Authority ("MCWA").

The Towns of Macedon, Marion, Palmyra, and Town of Walworth currently contract with the Authority, which operates a consolidated water department for such Towns pursuant to a Service Agreement dated effective April 1, 1995.

The Town of Arcadia, on behalf of its Water District No. 2 (Tellier Road), purchases water at wholesale from the Authority and the Authority provides water department services pursuant to a Memorandum of Understanding dated August 1995, upon essentially the same terms as provided in the Inter-Municipal Agreement and Service Agreement.

The interim arrangements contemplated in the Inter-Municipal Agreement and Addendum No. 1 and in the Service Agreement have been successful, and have resulted in the provision of water more efficiently and cost effectively to the water customers. The Town and the Authority have determined that even greater efficiencies and cost savings can be achieved by having the Authority assume direct responsibility for providing water to the retail customers in the Town.

The Town, Authority and other towns in the Service Area desire to enter into a long term agreement, wherein the Authority will take over direct, primary responsibility for the operation and maintenance of the water systems within the Towns of Macedon, Marion, Palmyra, Walworth and Arcadia (for Water District No. 2), including procuring water for and distributing the water to retail customers in the Service Area.

The parties hereto desire to enter into lease agreements pursuant to Section 198 par. 12(b) of the Town Law of the State of New York, whereby the Authority will lease, maintain, operate, repair and replace the facilities of the Town, and will supply water directly to customers therein, under the terms and conditions specified in this Agreement.

Therefore, in consideration of the mutual covenants and agreements hereinafter set forth, and other good and valuable consideration, the parties agree as follows:

1. Western Region Service Area.

- 1.1 The parties agree to continue the water service area, designated the Western Region Service Area ("Service Area"), which consists of the Town of Walworth, the Town of Macedon, the Town of Marion, the Town of Palmyra, and part of the Town of Arcadia, specifically Tellier Road, but excluding the Village of Palmyra and the Village of Macedon, such Service Area to encompass the present water improvement districts therein. (The Village of Macedon prefers to maintain its water department and to purchase wholesale water from the Authority, and is covered by a separate agreement.)
- 1.2 The Authority may add to the Service Area such other municipalities as are served water primarily originating from MCWA, the Towns of Ontario and Williamson and the Village of Palmyra (or other water suppliers that may serve the same area as the foregoing suppliers where the water supply is co-managed with the supply from the foregoing suppliers), provided such municipalities enter into appropriate agreements with the Authority.

2. Lease of Facilities.

- 2.1 Beginning on September 26, 1997 (the "Commencement Date"), the Town hereby leases to the Authority, subject to the terms and conditions of this Agreement, for the terms specified, the entire operating plant, hydrants, water storage transmission system and distribution system of the Town and the water districts therein, and extensions thereto, which are now and may in the future be listed in attached inventories and as shown on attached maps, together with any replacements, additions, betterments and improvements that may hereafter be furnished and installed in or by the Town or extension thereto during the term of this Agreement, and including any interests in real property (the "Facilities"). The lease of the Facilities is subject to the provisions of Section 2.2 below.
- 2.2 Notwithstanding the lease of the Facilities by the Town to the Authority pursuant to this Agreement, the Town reserves the right to grant to third parties leases or licenses to install and maintain personal wireless service facilities, including telecommunication antennas and towers, on or co-sited adjacent to the water towers and other Facilities, subject to the approval of the Authority. The lease or license with the third party must address to the satisfaction of the Authority its reasonable concerns, including but not limited to the following: security of the Facilities, maintenance responsibilities, liability issues, issues of health and safety, and payment for any out-of-pocket expenses incurred by the Authority.

Otherwise, the Town shall be entitled to receive the full rent paid on such leases or licenses.

3. Rights and Obligations of the Authority. The Authority shall have the following rights and obligations with respect to the Facilities as of the Commencement Date:

- 3.1 The Authority shall have the right to use the Facilities for the transmission of water to serve its wholesale and retail customers, regardless of location, without the imposition of any rentals or other charges.
- 3.2 The Authority shall operate, maintain, repair and replace the Facilities, and any extensions thereof, at its own cost and expense.
- 3.3 The Authority shall sell water to the customers of the Town in accordance with the Authority's regular retail rates and charges for the Service Area and its rules and regulations for the sale of water and the collection of rents and charges in effect and as amended from time to time, during the term of this Agreement. The Authority will notify the Town and the customers within the Town of any increase in rates at least ninety (90) days before the rate increase becomes effective.
- 3.4 Pursuant to Section 1199-nn of the Public Authorities Law and Section 406 of the Real Property Tax Law, the Authority shall not be required to pay taxes or assessments upon any properties, replacements, additions, betterments and improvements made or acquired by it or upon the Facilities, since the use of the Facilities is a public use.
- 3.5 The Authority shall have the right, at its own cost, to install additional or replacement facilities within the Town as the Authority deems necessary or advisable to better serve its customers. Legal title to any facilities installed by the Authority, including any replacements to the Facilities, shall be and remain in the Authority. It is the intention of the parties that the Authority will fund expansions of the transmission system within the Service Area from water rates and rentals.
- 3.6 The Authority shall at all times maintain casualty and liability insurance coverage on the Facilities, and shall at the request of the Town add the Town as an additional insured to such insurance coverage.

4. Rights and Obligations of the Town. The Town shall have the following rights and obligations pursuant to this Agreement:

- 4.1 The Town shall remain responsible for all debt service on the Facilities leased to the Authority, and shall pay such debt service in a timely manner.
- 4.2 The Town shall not at any time be obligated without its consent to make replacements, additions, betterments and improvements to the water system within its jurisdiction. The Authority shall negotiate with the Town and reach mutual

agreement if the Authority proposes to have the Town contribute directly to the cost of any improvements for the benefit of the Town.

- 4.3 Any extensions of the water districts in the Town after the execution of this Agreement shall be made under the exclusive control and jurisdiction of the Town, subject to the provisions of the Town Law. In the event the Town elects to extend its water districts, or create new water districts, the extension or new district shall be subject to the following terms and conditions:

4.3.1 Distribution systems within the extension shall be installed without cost to the Authority, and the cost thereof shall be borne by the Town and/or the applicable water district;

4.3.2 Upon completion of an extension of the distribution system, the distribution system shall become subject to this Agreement and be deemed leased to the Authority;

4.3.3 The Town shall have the exclusive right to determine the amount of any initiation, town connection or entrance fee to be charged to the said extensions and paid by it to the districts for the privilege of connecting to the facilities of the district existing at the time of such connection. The Authority shall have no interest or right in the initiation, town connection or entrance fee, provided that the Authority shall have the right to charge and collect its regular service connection fee for new hook-ups. The right of the Town to determine the amount of and collect an initiation, town connection or entrance fee shall apply to new customers added to the leased Facilities as well as future extensions of the distribution system.

- 4.4 If the Town desires to undertake an extension of a water district, and the Authority desires the Town to upgrade all or some of the water lines for the purposes of the Authority, the Town and the Authority will negotiate an appropriate allocation of cost so that the Authority is responsible for the incremental cost of the upgrade. The payment terms shall be mutually agreed between the Town and the Authority.

- 4.5 The Town agrees that it will not resell or redistribute water supplied from the Authority to any other municipality or any water districts or water customers, whether wholesale or retail, outside its municipal boundaries (except that such restriction shall not apply to existing customers at the inception of this Agreement), unless the Town has obtained the prior written consent of the Authority. In an emergency, the Authority will not unreasonably withhold such consent.

5. Supply of Water.

- 5.1 The Authority may enter into agreements with MCWA, the Town of Ontario, the Town of Williamson, and such other suppliers of water as the Authority may

determine, upon such terms and conditions as the Authority may determine in its sole discretion. The parties acknowledge that the Authority has entered into an agreement with MCWA to supply water to the Authority for the Service Area for a term of forty (40) years.

- 5.2 It is understood and agreed that the Authority makes no guarantee as to pressure, quantity or continuity of service, and shall not, under any circumstances, be held liable for loss or damage from a deficiency or failure in the supply of water, whether caused by shutting off of water in case of accident or for alterations, extension, connections or repairs, or for any cause other than for such loss, damage, deficiency or failure caused by the carelessness, fault or neglect of the Authority, agents, servants, employees, contractors, sub-contractors, and/or assigns. In the event of an emergency or other necessity, the Authority shall have the right to shut off or reduce the flow of water for such periods as are necessary. In all cases, other than emergencies, the Authority shall give the Town written notice 48 hours prior to any shut-off or flow reduction. The Authority shall restore service and make water available as soon as it can reasonably do so.
- 5.3 It is expressly understood and agreed that the furnishing of water and the performance of services by the Authority to the Town and its customers shall be in accordance with, and governed in all respects by this Agreement and the Authority's rules and regulations for the sale of water, and any charges, amendments or revisions thereof.

6. Collection of Water Charges.

- 6.1 As of the Commencement Date, the Authority shall be responsible for providing water to the water customers of the Town, and such customers shall be considered customers of the Authority from the Commencement Date forward. The parties agree that customer water meters shall be read as close to the Commencement Date as possible. The Town shall be entitled to receive all charges for water up to the Commencement Date, and the Authority shall be entitled to receive all charges for water sold starting on the Commencement Date and thereafter during the term of this Agreement.
- 6.2 The Authority and the Town agree to cooperate in the collection of water charges from customers during the transition of the customer accounts from the Town to the Authority.

7. Term of Agreement.

The term of this Agreement shall terminate on December 31, 2016. Thereafter, this Agreement shall automatically renew for one additional twenty (20) year term unless a party has given the other party at least one (1) year advance written notice of intent not to renew or as provided below. If any party elects not to renew this Agreement at the end of

the initial term, then this Agreement shall terminate at the end of such term. The parties acknowledge that the Authority is entering into similar agreements with other municipalities in the Service Area that will terminate on the same date, and if one or more of such other municipalities elects not to renew its agreement with the Authority, then the Authority and/or the Town may wish to change or terminate this Agreement. In the event that one or more municipalities in the Service Area elects not to renew its Agreement with the Authority, the Authority shall promptly notify the Town of the change in the Service Area, and the Town and the Authority shall each have the right to terminate this Agreement at the end of the initial term by giving written notice of intent to terminate to the other party within ninety (90) days after the date of the notice from the Authority to the Town.

8. Expiration of the Term.

- 8.1 Upon the expiration of the term, or any renewal thereof, or upon the earlier termination of this Agreement prior to the expiration of the term, unless the parties agree otherwise, the Authority shall return to the Town (at no charge to the Town) the property leased from it. In addition, the Town shall have the right, if it determines it to be in the public interest after a public hearing as provided in Section 202-b of the Town Law, to acquire from the Authority any replacements or additions to the Facilities installed pursuant to Section 3.5 herein during the lease term by the Authority at its sole cost and expense for the sole benefit of the distribution and storage systems hereby leased. The value of such replacements and additions shall be determined based on fair market value by a panel of three qualified appraisers, one chosen by the Authority, one chosen by the Town and the third to be chosen by the two appraisers chosen by the Authority and Town. The Town shall pay the Authority in full for the value of the replacements and additions at the termination of the lease term.
- 8.2 Notwithstanding the provisions of Section 8.1, the Town shall not have the right to acquire from the Authority any transmission lines or storage facilities installed by the Authority if such transmission lines or storage facilities are used by the Authority to provide water to other municipalities and/ or customers.
- 8.3 In the event that the Town takes back the Facilities leased hereunder at the expiration or termination of this Agreement, the Authority and the Town agree to negotiate in good faith to reach a mutually acceptable arrangement (such as, but not limited to, the lease or sale of water facilities to the other or the entering into of rights for the joint use of facilities) whereby the Town will be able to operate its water system and furnish water to its residents and the Authority will be able to use the transmission lines in the Town to meet the Authority's obligations to furnish water to its customers. Such arrangement will address, as necessary, the rights of the Town and Authority to use the other's facilities, and the terms for such use. If the parties have failed to reach agreement six months before the date when the Facilities are to be returned to the Town, the Authority and the Town

agree to use alternative dispute resolution procedures, such as mediation or voluntary arbitration, to assist in the negotiations.

9. Advisory Committee.

- 9.1 The parties shall establish an Advisory Committee to the Authority consisting of representatives from the municipalities in the Service Area. If only part of a municipality is within the Service Area, then the municipality shall be entitled to have a representative on the Advisory Committee if a majority of the public water customers within the municipality are served by the Authority, or if the Advisory Committee invites a representative of the municipality to serve on the Advisory Committee. The Town Board shall appoint one representative and one alternate to serve on the Advisory Committee. Both the representative and alternate may attend meetings of the Advisory Committee, but the Town is entitled to only one vote on any matter before the Committee. If the Town appoints a representative to the Advisory Committee, and that representative is also a member of the Authority, upon the request of any other municipality with a representative on the Advisory Committee, the Town's representative will resign from the Advisory Committee and the Town will appoint another representative who is not a member of the Authority. The Advisory Committee will be disbanded, and the Authority will no longer be required to consult with the Advisory Committee or obtain its consent, upon the earlier of (1) no members are appointed to the Advisory Committee; or (2) the mutual agreement of the municipalities with representatives on the Advisory Committee.
- 9.2 The purpose of the Advisory Committee is to provide an ongoing, active, liaison between the Town and other municipalities in the Service Area and the Authority on the matters covered by this Agreement, and the Authority agrees to give due consideration to such advice. The Authority specifically agrees that it will not undertake any capital projects that will cause a surcharge to the water rates charged to the retail customers unless the proposed action by the Authority has been approved by the Advisory Committee. Actions of the Advisory Committee require a vote of a majority of the appointed members of the Advisory Committee. Additionally, the Authority and the Town agree to consult with each other, through the Advisory Committee, on the establishment of retail rates and connection charges in the Service Area, or any other matters that may result in an increase to the charge of water to the retail customers in the Service Area.

10. Miscellaneous.

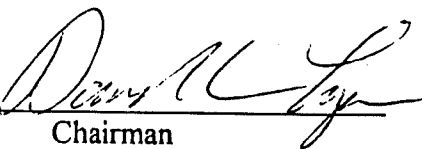
- 10.1 It is expressly understood and agreed that the furnishing of water and the performance of services by the Authority to the Service Area shall be in accordance with and governed in all respects by Subpart 5-1, Public Water Supplies of the New York State Sanitary Code, and any other applicable laws,

rules or regulations, including any reasonable rules and regulations of the Authority.

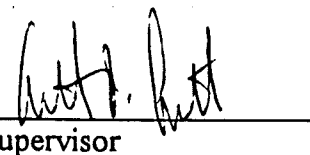
- 10.2 No party may assign its rights or obligations under this agreement, unless the written consent of all other parties hereto is obtained.
- 10.3 This agreement may be amended or modified only by a subsequent written document executed by all parties hereto.
- 10.4 This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.
- 10.5 The Town represents and warrants to the Authority that it has taken all actions necessary or required to be taken by it, including any referendum necessary, and that the Town has full power and authority necessary to execute this agreement and perform in accordance with its terms.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement with the intent that it be effective on the day and year first above written.

WAYNE COUNTY WATER AND
SEWER AUTHORITY

By: 
Chairman

TOWN OF MACEDON, on its own behalf
and on behalf of the Consolidated Water
District

By: 
Supervisor

Appendix B:

2002 Agreement between the City of Glens Falls and the Town of Queensbury by which the City provided excess wastewater treatment capacity to the Town of Queensbury.

WASTEWATER TREATMENT AGREEMENT

between

The City of Glens Falls

and

The Town of Queensbury

Effective Date: April 1, 2002

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WASTEWATER TREATMENT AGREEMENT

This Agreement is made as of April 1, 2002 ("the Effective Date"), by and between the City of Glens Falls, a municipal corporation with offices at 42 Ridge Street, Glens Falls, New York ("the City"), and the Town of Queensbury, a municipal corporation with offices at 742 Bay Road, Queensbury, New York ("the Town").

RECITALS

Whereas, the City is the owner of a Publicly Owned Treatment Works, or "POTW", for the treatment of wastewater, and the Town has discharged wastewater to said POTW, pursuant to a Facility Agreement, as amended, between the parties (said Facility Agreement and all Amendments thereto hereinafter referred to as "the 1985 Agreement"), and

Whereas, the parties wish to replace and supersede the 1985 Agreement, along with all other Agreements between the City and the Town relating to wastewater treatment including, but not limited to the Pershing-Ashley Coolidge Sewer District and Queensbury Technical Park Sewer District, with this Agreement,

Whereas, this Agreement is entered into as permitted by General Municipal Law Section 119-a.

Now, Therefore, in consideration of the mutual covenants set forth herein, the parties hereby agree as follows:

Section 1 Definitions

"Applicable Law" means all applicable federal and New York State law, including without limitation, the applicable provisions of the Federal Water Pollution Control Act (also known as "the Clean Water Act"), 33 USC 1251, et. seq., and the New York State Environmental Conservation Law and all amendments to such laws and all regulations promulgated pursuant thereto.

"Capacity" means the volume of Wastewater that the POTW can legally treat pursuant to SPDES Discharge Permit # NY 0029050, dated May 31, 2000.

"DEC" means the New York State Department of Environmental Conservation.

"EPA" means the United States Environmental Protection Agency.

"Average Gallons per day" means the average gallons per day during the applicable three month billing cycle as measured by appropriate flow measuring equipment and/or based on water meter usage.

"Publicly Owned Treatment Works" or "POTW" means the treatment works as defined

by section 212 of the Clean Water Act, as amended, which is owned by the City. This definition includes any devices and systems used in the storage, treatment, recycling and reclamation of municipal sewage or industrial wastes of a liquid nature. It also includes sewers, pipes and other conveyances only if they convey wastewater to a POTW Treatment Plant.

"POTW Treatment Plant" means that portion of the POTW which is designed to provide treatment (including recycling and reclamation) of municipal sewage and industrial waste.

"Purchased Capacity" means the ability to discharge a specified maximum volume of Wastewater to the POTW for treatment, for which the City has received payment in an agreed upon amount.

"Sewer System" means all property, structures and equipment used for the collection and transportation of Wastewater.

"This Agreement" means this document and any attachment or amendment.

"Wastewater" means any discharges to the POTW.

Other definitions are set forth in the Sections of this Agreement in which they are used.

Section 2 Duration

The duration of this Agreement shall be twenty years from the Effective Date or the length of the sales tax agreement referred to in Section 12.02.02 of this Agreement, whichever is longer.

Section 3 Town's Current Purchased Capacity

3.01 Purchased Capacity as per MOU. Pursuant to the Memorandum of Understanding between the parties, dated October 13, 2001, the Town has made payment of, and the City acknowledges receipt of, the amount of \$229,586.50, in consideration for 373,990 gallons per day of Purchased Capacity, from the locations set forth in the following chart:

	Gallons	Price	Total
Hiland Park	13,000	\$1.00	\$ 13,000.00
Adirondack Community College	25,000	1.00	25,000.00
Girl Scouts	1,600	1.35	2,160.00
Stewarts- Bay Road	550	1.35	742.50
Sleep Inn., Route 9	4,000	1.35	5,400.00
Baybridge	8,000	1.35	10,800.00
Tech Park	20,000	1.00	20,000.00
Hess Mart (Tech Park)	1,840	1.35	2,484.00
Queensbury Ave. Sewer District	300,000	0.50	150,000.00
TOTAL	373,990		\$229,586.50.

3.02 **Total Purchased Capacity.** Combined with the Town's previously Purchased Capacity of 419,985, the Town's total current Purchased Capacity is 793,975 gallons per day.

Section 4. Town's Ability to Obtain Additional Purchased Capacity

4.01 **Right of First Refusal.** The City guarantees that the Town shall have a right of first refusal to obtain an additional 2,500,000 gallons per day of Purchased Capacity ("Additional Purchased Capacity").

The Town may obtain such Additional Purchased Capacity by providing the City with written notification and payment in full. If the City expands use so it actually uses Capacity for City purposes or it has a bona fide written offer from a third party to purchase Capacity, to an extent that the Town would not be able to obtain all of the Additional Purchased Capacity for which it has the right of first refusal, the City shall give written notice thereof to the Town, and the City will not impair the Town's ability to exercise its right of first refusal for a period of sixty (60) days after the giving of the notice. If the Town does not provide written notification of its intent to exercise its right of first refusal with regard to the amount of Capacity specified in the City's notice, by providing written notification within sixty (60) days after the giving of the City's notice, then the City may use or sell such Capacity to the extent that the Town did not give notice of its intent to exercise its right of first refusal. If the Town does give the City such written notification within sixty (60) days, the City will not impair the Town's ability to exercise its right of first refusal for a period of one hundred fifty (150) days after the City gives its initial notice, but if the Town does not make payment in full within one hundred fifty (150) days after the City gives its notice, then the

City may use or sell such Capacity to the extent that the Town did not purchase it, without any waiver of the City's legal remedies. The Town will retain its right of first refusal to the remaining portion of such Available Purchased Capacity. The Notice to the Town will include the amount of remaining capacity available under the right of first refusal after such use or bonafide written offer. The parties may also agree to the Town obtaining Additional Purchased Capacity in excess of 2,500,000 gallons per day.

4.02 Purchase Price. The Town will pay a purchase price of seventy five cents (.75¢) per gallon, at the time of purchase, for Additional Purchased Capacity during the first five years of this Agreement. Upon the fifth anniversary of the Effective Date, the purchase price shall be increased by an amount equal to the increase in the consumer price index (the CPI-U (all-urban consumers), Northeast region, population size B/C (50,000-1,500,000), all items, base period December 1996 = 100, not seasonally adjusted, as published by the United States Bureau of Labor Statistics) from the Effective Date to the fifth anniversary date. This recalculation shall also take place upon the tenth, fifteenth, twentieth, twenty-fifth, thirtieth and thirty-fifth anniversary of the Effective Date, such that the purchase price to be paid at the time of each individual purchase will be increased by an amount equal to the increase in such consumer price index for the previous five years.

4.03 Use of Purchased Capacity. The Town may allocate its Purchased Capacity among its sewer districts and properties located within the Town as the Town deems appropriate. However, the Town's Purchased Capacity shall be limited solely and exclusively to the Town's needs, and shall not be available for use by other municipalities or private entities located outside the Town unless approved by the City. The Town's provision of sewer service via the Queensbury Ave. Sewer District to Washington County Sewer District #1, the Kingsbury Sewer District and Warren County Sewer District (Industrial Park), as described in a letter dated June 26, 2001 from Jarrett-Martin Engineers, PLLC to Mike Shaw, Deputy Wastewater Director for the Town, and others, a copy of which is attached as Exhibit A, and as is provided for in an intermunicipal agreement entered into by the Town of Queensbury on behalf of itself and the South Queensbury - Queensbury Avenue Sewer District, the Town of Kingsbury on behalf of itself and the Kingsbury Sewer District, Warren County, on behalf of itself and the Warren County Sewer District, and Washington County on behalf of itself and on behalf of the Washington County Sewer District #1, and dated December 17, 2001, is approved by the City with regard to the Queensbury Ave. Sewer District, the Washington County Sewer District #1, the Kingsbury Sewer District and the Warren County Sewer District (Industrial Park) as they currently exist, or as they are contemplated in the Sewer District Information Reports referred to in said letter of June 26, 2001.

4.04 New Connections:

Before the Town or any other party adds any new connections to the City's sewer lines and POTW, all associated plans and drawings must be provided to the City and the prior written approval of the City with regard to the connection must be obtained which will not be unreasonably withheld or delayed.

In addition, before any new connection that is expected to cause the discharge to the City to increase by 5 % or more at that connection point or for any industrial or commercial user that is

expected to cause the discharge to the City to increase by 2,000 gallons per day is made to the Town's collection and transportation system, the Town will provide the City with data regarding anticipated flow rates and when applicable, a copy of the industrial waste survey for that project. The City will have 30 days to comment.

If the City determines that engineering studies are needed to evaluate the City's ability to transport additional flow through its existing collection system, then if outside engineering is engaged per mutual agreement, the Town and the City will each pay one-half (½) of the associated engineering costs.

Section 5

Operation and Maintenance Costs

5.01 Base O & M Charge (Earth Tech). The Town shall pay its proportional share, based on total-gallons-treated for each municipality based on total flows, of costs included in the City's contract for operations and maintenance of its water and wastewater facilities with Earth Tech, Inc., dated December 21, 2000, in accordance with the terms of said contract as it originally existed. The Town shall pay an amount equal to its:

- (a) Proportional share of Wastewater treatment, plus
- (b) Proportional share of Water Distribution and Wastewater Collection, without utilities for lift stations, x 70% (this is to eliminate the 30% for Water Distribution), plus
- (c) Proportional share of electricity to operate the POTW Treatment Plant.

The total of the above (a), (b) and (c) shall be called the "Base O & M Charge".

5.02 Base O & M Charge (without Earth Tech). In the event that the City's contract with Earth Tech is no longer in place, the Base O & M Charge shall be the Town's proportional share, based on total-gallons-treated for each municipality based on total flows, of the cost incurred by the City for the items set forth in the attached Exhibit B as "Earth Tech Factors," which are based on the scope of services and goods and other items which Earth Tech agreed to provide in its original, amended contract with the City dated December 21, 2000 and the Town's proportional share of electricity to operate the POTW Treatment Plant. Those Factors are identified in Article 4 and Article 11 of the Earth Tech contract, and are summarized in the attached Exhibit B, Earth Tech Factors.

5.03 Non-Earth Tech Factors. The Town shall pay an additional 25% of the total of the Base O & M Charge to cover all non-Earth Tech factors including all administrative overhead (direct and indirect), repairs, contingencies, and transmission costs which are not included in the Earth Tech factors, except those repairs included in the POTW Treatment Plant Reconstruction Plan. Non-Earth Tech factors include the responsibilities of Owner identified in Article 5 of the Earth Tech contract dated December 21, 2000.

Section 6

Operation and Maintenance Costs for City's Sewer Lines

All costs of maintaining the City's sewer lines are included in the above Sections 5. However, at such time as the Town's Wastewater flows cause a City receiving line to exceed its design capacity, the Town will be responsible for the additional cost to increase the size of the line including all engineering and administrative costs associated thereto, and without any expense to the City, the cost to upgrade or repair deteriorating lines will be borne by the City.

Section 7

Reconstruction Costs

7.01 Definitions. The following definitions are used in this section:

"Reconstruction" means such major repairs, alterations or replacements of equipment or structures that are more substantial than routine maintenance.

"Reconstruction Fund" means a restricted fund established by the City to pay for the reconstruction of the POTW Treatment Plant pursuant to the Reconstruction Plan and pursuant to RCRA 35.928, as amended.

"Reconstruction Plan" means a twenty (20) year plan, prepared by the City and agreed to by the Town, that establishes a plan for the Reconstruction of certain portions of the POTW Treatment Plant as needed over the twenty (20) year time period, and the anticipated costs of such Reconstruction. The initial Reconstruction Plan for the first twenty (20) years of this Agreement shall be attached as Exhibit C, and will be updated to continue to be the Reconstruction Plan for the following twenty (20) year period over the term of this Agreement by the City on an annual basis, or more frequently as needed, and agreed to by the Town, which agreement shall not be unreasonably withheld. The Reconstruction Plan shall identify any POTW Treatment Plant components which are wholly dedicated to the treatment of sewage throughout the entire facility and those components which are partially dedicated to the treatment of sewage and their respective proportion (e.g. costs associated with maintaining the incinerator).

7.02 Payment of Reconstruction costs. Until such time as a Reconstruction Fund is established pursuant to the following section 7.03, the amount of Reconstruction costs actually incurred by the City with regard to the items set forth in the Reconstruction Plan will be determined at the end of each year for the year just ended. Prior to the end of the following year, the Town will reimburse the City for a percentage of such costs. That percentage will be calculated as follows:

$$\frac{\text{Average Town Purchased Capacity (numerator)}}{\text{Total Plant Capacity 9.5 Million gpd (denominator)}}$$

7.02.01 If the Total Plant Capacity changes, the denominator of the above fraction will change.

~~7.02.02~~ The net amount, after deduction of associated expenses, of any governmental or other grants or settlements received by the City during a billing year that relate to or for any expansion, reconstruction, repair or any other improvement pertaining to the Reconstruction Plan shall be deducted from the total Reconstruction costs incurred by the City during that year before the Town's proportional share is calculated.

7.03 Debt Issuance: Use of Reconstruction Fund.

The City and the Town will work cooperatively and pro-actively to obtain legislative approval for the pre-funding of the 20-year Reconstruction Plan by issuance of debt instruments. This provision is an essential part of this agreement.

The following provisions are what the parties intend conceptually. The specifics of establishing the Reconstruction Fund will be guided by the authorizing legislation.

The amount of debt to be issued by the City will be determined by subtracting the estimated interest earnings on unspent annual balances in the Reconstruction Fund from the projected gross reconstruction expenditures over the initial 20-year term of this agreement. The original 20-year expenditure Reconstruction Plan shall be used to estimate cash flows and year-end cash balances.

Reconstruction Fund cash balances shall be held by the City in a restricted account and used only for expenditures specifically included in the Reconstruction Plan as such amounts become due and payable.

The annual payment obligation to the Reconstruction Fund each year for both the City and the Town will be each municipalities' proportional share of the total debt service on the Reconstruction Fund's outstanding debt (principal and interest). In the event the Reconstruction Fund is exhausted before a new Reconstruction Plan has been executed and funded, the annual payment obligation of both the City and the Town will include their proportional share of cash needed to fund required reconstruction expenditures as well as debt service.

If Reconstruction Fund balances are spent on or before the 20th year, the City and the Town will reissue debt for another 20 year period based on a new 20-year Reconstruction Plan.

If the Reconstruction Fund has a cash balance at the end of the initial 20 year period, the amount of the cash balance will be applied to the 2nd 20-year Reconstruction Plan to reduce the amount of debt issued.

Section 8 Records, Billing, Audit and Consultation

8.01 Meter Readings. The Town will provide the City with the Town's quarterly readings from the meter located at the Meadowbrook pump station, and from any other flow meters. For all other properties in the Town that are not directly metered, the Town will provide the City with the Town's quarterly readings of individual water meters. The City will provide the Town with readings

of meters recording total flows in the POTW Treatment Plant on a quarterly basis. The City will provide any further flow meter readings as reasonably requested by the Town.

8.03 Billing. Water meters are read by the Town as of the end of January, April, July and October. These readings will be used by the City to bill the Town under this Agreement for the three month period immediately preceding the date of the bill:

Date of Sewer Bill	Water Billing Period
May	February 1 – April 30
August	May 1 – July 31
November	August 1 – October 31
February	November 1 – January 31

For any bill, invoice or request for payment is rendered to the Town, the City will provide detail to substantiate the Town's share of expenses relative to total expenses.

8.04 Payments. Payment shall be due within 30 days after a bill is sent by the City. There shall be a 2% late payment charge for any amounts due under this Agreement which are unpaid 30 days after payment is due and an additional 1% for each additional 30 days thereafter that the amount remains unpaid. This late payment charge shall not be applicable to any bill for which there is a bona fide dispute.

8.05 Budgeted Costs. Not later than October 1st of each year the City will provide the Town with a copy of the City's most recently published Tentative Budget for the following year. The City will provide a copy of the City's Adopted Budget immediately upon adoption. Said budget shall detail all sewer operating costs with a detailed breakdown of operation and maintenance expenses which shall be included in billings to the Town along with all Reconstruction costs.

8.06 Actual Costs. By October 1st of the following year, the City will provide a copy of its annual financial reports which include details of its wastewater operations corresponding to the information provided in Section 8.04 and details of all actual Reconstruction costs and the sources of funding for such Reconstruction costs. The reports will include or be accompanied by a spreadsheet that details, on a line-by-line basis, each expense or Reconstruction cost comparing budgeted with actual expenses or Reconstruction costs. The sum of Town-actual costs will be the basis on which the previous year's debit or credit or Reconstruction costs shall be calculated.

8.07 Reconstruction. Once the Reconstruction Fund is established as provided in Section 8.01, by October 1st of each year, the City will provide the Town with an audited Financial Statement of the Reconstruction costs for the previous fiscal year together with a copy of the auditor's report and letter. Upon written notice, the City shall provide the Town reasonable access to all records, data and information related to Reconstruction, and, if established, the Reconstruction Fund and any reconstruction plan or project.

All assets of the Reconstruction Fund shall be maintained in insured or collateralized, interest-bearing accounts in financial institutions meeting guidelines published by the New York State Comptroller. The City shall monitor collateral balances to ensure proper insurance and

collateralization of Reconstruction bank deposits and shall provide the Town copies of reports from the collateral safe-keeping facility evidencing collateralization of balances that exceed FDIC coverage. The investment and collateralization of the Reconstruction Fund shall comply with New York State guidelines, including General Municipal Law Section 39, financial guidelines published by the New York State Comptroller and other laws and regulations as applicable.

8.07 Accounting. The City shall use the New York State Comptroller's Uniform System of Accounts and/or the New York State Comptroller's Accounting and Reporting Manual as a guide in maintaining records for the sewage treatment plant, Reconstruction and the Reconstruction Fund, when established.

8.08 Financial Reports. Annual financial reports shall be prepared by a Certified Public Accountant and shall follow Generally Accepted Accounting Principles (GAAP) guidelines and meet all Governmental Accounting Standards Board (GASB) requirements appropriate to result in a non-qualified auditor's opinion. The financial reports furnished to the Town shall be accompanied by a copy of the CPA's Management Letter related to operations, maintenance, accounting, reporting and regulatory compliance which will include the POTW Treatment Plant.

8.09 Access to Records. Upon written notice, the City shall provide the Town reasonable access to all financial records, data and information related to the operations and maintenance and the Reconstruction of the POTW Treatment Plant, and the Reconstruction Fund, when established.

8.10 Town's Right to Audit. The Town may, at its own expense, hire an independent auditing firm to perform an audit of all the books and records of the operations, maintenance and Reconstruction of the POTW Treatment Plant. The City will provide the auditor with suitable work area and access to records and staff information sources necessary to conduct the audit.

8.11 Consultation. The City shall keep the Town fully informed as to operating, maintenance, and Reconstruction costs of the POTW Treatment Plant and any plans the City has for Reconstruction (including changes in such plans) and will allow the Town access to relevant budgets, contract, proposed contracts and other indicia of costs for the Town's review upon receipt of a written request therefore. The Town and the City shall consult regarding said matters at such time as is reasonably possible after receipt by the City of a written request from the Town as to its exercise of the rights under this section. The City shall consider the Town's input regarding these matters. To the extent of disagreement between the City and the Town as to the proper determinations to be made regarding such matters, the City shall in its sole discretion make the final determination, after due consideration of the input of the Town.

Section 9

Compliance with City's SPDES Permit and Applicable Law

9.01 Definitions. The following definitions shall apply to this Section 9:

9.01.1 The definitions in 40 CFR Part 403, as the same may be amended, shall apply to this Section 9.

9.01.2 In addition, the following terms shall have the following meanings:

"Sewer use ordinance" means any local code enacted to regulate, in any way, the Discharge, transportation, or disposal of Wastewater.

"Town IU" means an Industrial User located in the Town, including a Town SIU.

"Town SIU" means a Significant Industrial User located in the Town.

9.02 Legislation. The parties agree to adopt and amend any of their respective local sewer use ordinances concerning Discharges to the POTW as may be required to ensure compliance with the City's SPDES Permit, and any Applicable Law. The Town agrees that its sewer use ordinance will at no time be less stringent than that which is required by the City. If any changes to the Town's Code are required pursuant to this Agreement, the City's SPDES Permit, or any Applicable Law, then the parties agree to negotiate such changes in good faith within 30 days of the City notifying the Town of any such required changes. The Town agrees to adopt such changes as quickly as is legally permissible under any State or local law governing the Town's adoption of local laws.

9.03 Discharge of Wastewater to the POTW.

9.03.1 Town agrees that it will not Discharge any Wastewater into the POTW, that will, either directly or indirectly, cause or contribute to a violation of the City's SPDES permit, City Code Section 177-50, as amended, and/or a violation of Applicable Law, whichever is more stringent. Any Wastewater entering the POTW through the Town's Sewer System shall be considered Town Wastewater, regardless of its origin. The Town will have the primary responsibility of ensuring that any such Discharge does not cause the Town or the City to violate any provision of this Agreement or Applicable Law.

9.03.2 If any quarterly average of the Town's flow exceeds the Town's Purchased Capacity, then, in addition to the charges for such flow pursuant to Sections 5, 6, and 7, above, the Town shall pay a fee equal to the calculated operation and maintenance fee for each 1000 gallons in excess of the purchased capacity. However, this does not constitute the City's approval of such fee as the applicable purchase price for additional Purchased Capacity at such time.

(a) If the strength of the Town's Wastewater is greater than 200 parts per million ("ppm") of biochemical oxygen demand ("BOD") or chemical oxygen demand ("COD"), or total suspended solids ("TSS"), then an abnormal strength surcharge will be applied to the quarterly bill. Biochemical oxygen demand or "BOD" means the quantity of oxygen in the biochemical oxidation of the organic matter in the Wastewater under standard laboratory procedures in five (5) days at twenty degrees centigrade (20 degrees C), expressed in milligrams per liter. The BOD shall be determined in accordance with procedures set forth in the Standard Methods for the Examination of Water and Wastewater, most recent Edition. The greater the concentration of either BOD or COD will be used in the surcharge calculation, but not both. The surcharge factor is calculated in the following manner: Concentration BOD or COD in ppm less 200 ppm plus

concentration of TSS in ppm less 200 ppm and then divided by 200 ppm. The total bill is calculated by the addition of one (1) plus the surcharge factor totaled and then multiplied by the normal bill.

9.04 Monitoring, Metering, Analysis, and Reporting

9.04.1 General. In order to assess appropriate charges and to assure the Town's continued compliance with this Agreement and Applicable Law, the Town will, at every point where the Town's Wastewater enters the City's sewer system, construct, operate, maintain, and repair, metering and sampling stations, including flow meters, composite sampling and related equipment such as records and charts showing the individual use of the POTW by the Town, or in another manner approved by the City. Notwithstanding the above, the City reaffirms that water meter readings are acceptable for billing purposes in the following areas: Pershing, Ashley, Coolidge, Luzerne Road, Dix Avenue/Technical Park as long as there is no significant change to the existing sewer system. The City may allow the use of water meter readings in other defined areas. The City will inspect and calibrate, or cause the manufacturers of the metering and sampling equipment to periodically inspect and calibrate, all metering equipment at such intervals as are in accordance with the manufacturer's recommendations for such equipment, or as may be required by the City. The Town will reimburse the City for the cost of said inspection and/or calibration. The installation, operation and maintenance of such equipment shall inure to the benefit of the City at the sole cost of the Town. The plans and specifications for any construction, installation, maintenance, or repair required by the City to be performed by the Town to any monitoring, metering, sampling and/or analysis stations and equipment shall be submitted to the City prior to beginning any construction, repair or maintenance on same. The Town shall make such modification(s) in plans as mandated by the City and shall construct, operate and maintain the stations in accord with such plans as modified and approved by the City.

9.04.2 Violations. In the event of a violation of any Discharge limitations set forth in Applicable Law, or a violation of Section 9.3 of this Agreement, the Town shall immediately notify the City by phone, and shall within five (5) business days after the date of the violation, submit a written notification to the City specifying the date and time of each violation, duration of each violation, the substance(s) involved in violation, the concentration, volume and mass, and the reason for the violation.

9.04.3 Inspections. All equipment installed and operated to monitor, meter, sample, analyze, and report on the Town's Wastewater entering the POTW shall be subject to announced and unannounced inspection, monitoring, metering, sampling and analyzing by the City, at the sole discretion of the City. This includes any equipment installed and operated to monitor meter, sample, analyze, and report on Wastewater Discharged by any Town IU. At no time shall the Town deny access to any authorized City representative for the purposes of inspection, monitoring, metering, sampling and/or analyzing the Wastewater of the Town.

9.04.4 Town additional equipment. In addition to any equipment required by the City to be installed, operated, maintained, and repaired by the Town, the Town may perform additional tests and analysis and may install additional sampling, metering and testing equipment and metering and sampling stations so long as such equipment and processes do not conflict with the operation and accuracy of equipment required by the City.

9.04.5 Missing Data. In the case of missing data due to faulty calibration of the metering or sampling equipment or otherwise, an estimate of such data may be made by the City for the purpose of determining operation of the Town's monitoring, metering, sampling and analyses equipment in conformance with the above-mentioned requirements. This estimate shall be based on an evaluation of all records of use of the POTW and metered water usage data within the Town.

9.04.6 Reporting. The Town shall provide the City with such reports as are requested in memoranda from the City's Engineer to the best of the Town's ability.

9.04.7 After 30 days notice, if the City finds that the Town is not constructing, altering, replacing, operating and/or maintaining metering and sampling stations, or is or in any other way failing to keep such monitoring, metering, sampling and/or analysis stations in sound working condition, or failing to properly report to the City, to assure the Town's compliance with this Agreement or Applicable Law, the City may take any necessary actions to assure such monitoring, metering, sampling, analysis and/or reporting is acceptable to the City, with any associated expense thereof being paid by the Town. In addition, if the parties so agree, any and all monitoring, metering, analyses and sampling may be performed by the City, with any costs associated thereto, including, but not limited to, construction, repair, maintenance, operation, administrative and/or engineering costs, being paid by the Town to the City.

9.05 Pretreatment Requirements. The Town will comply with the Pretreatment requirements of Applicable Law as listed in the City Code and as requested in memoranda from the City's Engineer. The City Code shall not treat the City and the Town and their respective property owners differently.

9.06 Required Modification or Expansion.

9.06.1 In the event that the City is ordered by any agency or court of competent jurisdiction to expand or modify the POTW Treatment Plant, or if expansion or modification is necessary to maintain the City's SPDES permit, the City and the Town shall share the costs of such expense as follows:

(a) Capital costs of construction shall be prorated among City and Town based on the percent of total flow which the Town will contribute to the expanded POTW treatment plant.

(b) Operation and maintenance costs and reconstruction costs for the expanded POTW Treatment Plant shall be prorated among City and Town based the applicable provisions of Sections 5, 6 and 7 of this Agreement, as amended.

Section 10 Enforcement

10.01 General. In the event of any actual or threatened noncompliance with the provisions of this Agreement, the City and the Town shall each have the right to act according to

the terms of this Section. The various enforcement techniques and sanctions set forth in this Section are not mutually exclusive and the City or the Town may at its sole discretion pursue any one or more of the provisions of this Section and/or Applicable Law.

10.02 Violation. The City shall have the power to bring an action to enjoin the Town and/or any one or more Town IU(s) from violating, or continuing a violation of this Agreement or of any Permit issued to any Town IU. The City may pursue preliminary injunctive relief such as a temporary restraining order and preliminary injunction prior to the seeking of a permanent injunction against the Town or any one or more Town IU(s) for a violation of this Agreement or Applicable Law.

10.03 Threats to POTW or Public.

10.03.1 In the event of an actual or threatened Discharge to the POTW which reasonably appears to present an imminent endangerment to the health or welfare of persons, an imminent endangerment to the environment (including but not limited to actual or threatened Discharges which would result in violation of any provision of the City's SPDES permit or Pass Through), or an imminent danger of interference with the POTW, the City may, after informal notice to the Town and/or a Town IU, as the case may be and as is reasonable under the circumstances (including a telephone call if time is of the essence), halt or prevent the Town's, or any Town IU's, Discharge to the POTW by whatever means are necessary to effect such a result, including if necessary physical blockage or severance of the Town's connection to the POTW.

10.03.2 In the event of a cessation of Discharge to the POTW as a result of this subsection, the Town shall pay all costs involved in restoring service once the violation is corrected and written proof of such correction has been submitted to and accepted by the City.

10.04 Defenses. It shall not be a defense of the Town, or any other User discharging to the POTW through the Town's sewer system, for any breach of this Agreement, that any Wastewater originated or was Discharged from a User located inside or outside the geographic jurisdiction of the Town. As between the City and the Town, the Town shall be responsible and liable for any violations caused by any Wastewater Discharged entering the POTW through the Town's sewer system.

10.05 Indemnification. The Town and the City shall indemnify, defend and hold the other harmless for any cost or damage incurred as a result of a violation of this Agreement or Applicable Law, including but not limited to, penalties imposed by EPA, DEC or other governmental agency, damage to the environment, damage to the POTW, legal expenses, engineering costs, costs of testing, repairs, construction and any other costs or expenses incurred as a result of any such violation. The Town and the City shall each maintain policies of insurance, which shall name the other as an additional insured. The City's policy shall insure the POTW Treatment Plant for the full cost of its replacement, less a reasonable deductible not to exceed .25% of the replacement cost.

Section 11

Annexation of Veterans Field by the City

11.01 Property. To the extent allowed by New York State law, the City will annex the real property owned by it and located immediately adjacent to the northwest of the intersection of Luzerne Road and Veterans Road, which real property is known as Veterans Field and is shown on a subdivision map approved by the Town's Planning Board, which map was filed in the Warren County Clerk's Office on July 27, 2001, at Plat Cabinet B, Map No. 174, and the portion of Sherman Avenue running from the current boundary line between the City and the Town to the northeast corner of the real property shown on said subdivision map (all of the foregoing real property to be annexed by the City is hereinafter referred to as "the Property").

11.02 Town Approval. The Town will approve and permit such annexation pursuant to section 706(2) of the General Municipal Law.

11.03 Restrictions on Land. Upon the execution of this Agreement, the City shall record a restrictive covenant applicable to all of the Property, and insert a deed restriction into each deed it grants for any portion of the Property, which restricts the use of the Property to light industrial and manufacturing consistent with the allowed uses as identified in the Town's Veterans Field Light Industrial Park District designation (copy attached as Exhibit D). Should the City desire to change the zoning classification, allowed uses, or SEQRA findings for the Property, it must first obtain approval from the Town by way of a resolution duly adopted by the Town Board.

11.04 SEQRA Findings. The City will adopt the same SEQRA findings as were adopted by the Town for the Property. The SEQRA findings documented the impacts of the build-out of the Veterans Field Industrial Park ("Park") on the Town of Queensbury's transportation system. A cost sharing mechanism was established whereby the developer of the Park would pay a mitigation fee in lieu of constructing the necessary improvements to mitigate the impacts of the development. The mitigation fee was established as \$200,000 for various intersection improvements, and an additional \$200,000 for an alternative truck route or "Connector Road". The payment for the connector road shall be made by the City to the Town upon the Town's entering into contracts for the construction of such road. Any fees paid for various intersection improvements shall be done so in an amount and a timetable consistent with the SEQRA findings.

11.05 Improvements. All site buildings and site improvements will be constructed in conformance with the Model Site Plan approved by the Town of Queensbury Planning Board and SEQRA findings adopted by the Town of Queensbury Town Board and Planning Board. The SEQRA findings include design guidelines for building architecture. The Greater Glens Falls Local Development Corporation and Queensbury Economic Development Corporation have formed a joint committee for the improvement of Veterans Field: "Veterans Field Capital Improvement Committee" (now known as Northway Business Park). The SEQRA findings provide that the Committee shall determine whether buildings comply with these guidelines.

11.06 Future Annexation. Such annexation shall not set any precedent for any future annexation by the City of property located within the Town.

11.07 Restriction on Future Annexation. While this Agreement is in effect, the City shall not bring a petition under General Municipal Law sections 703 or 706 unless the then-existing Town Board shall first authorize such action by resolution.

11.08 Exception of Property. Such annexation shall not include the City-owned property where the Luzerne Road Transfer Station is currently located.

11.09 Municipal Services. The Town will provide water and sewer service to the Property. The Property's water and sewer infrastructure shall meet the Town's design and construction standards. The City shall pay the Town for such service to the Property based on the Town's normal charges for sewer and/or water service as if the Property were still within the Town, whether such amounts are normally collected by the Town by a benefit tax, sewer and/or water rent charge and/or ad valorem assessments.

11.10 Infrastructure Upgrades. The cost of any upgrade to the Town's sewer or water infrastructure required by the owner(s) of the Property shall be paid by the owner(s) of the Property.

11.11 Fire and EMS Services. The Town and City will jointly provide fire protection services to the Property, and the Town and City will jointly provide EMS to the Property, as agreed upon by the parties' fire departments and City firefighters union by agreement dated November 5, 2001 titled "Agreement for Fire Protection Between The City of Glens Falls Fire Department and The West Glens Falls Volunteer Fire Department- Fire Protection for Veterans Field" attached as Exhibit E. The City shall pay to the Town the following amount during each year that this Agreement is in effect:

(a) The Town's normal assessment rate for Fire and EMS service each year times the 2001 aggregate assessed value of the Property; plus

(b) The Town's normal assessment rate for Fire and EMS service each year times (the aggregate assessed value of the Property each year, less the 2001 aggregate assessed value of the Property) times 50%.

Another way to state the equation:

$$\$ = [A \times B] + \{A \times [(C - B) \times .50]\}$$

\$ = Amount due from the City to the Town for Fire and Emergency Services.

A = The Town's normal assessment rate for fire and EMS service each year.

B = The 2001 aggregate assessed value of the Property.

C = The aggregate assessed value of the Property each year.

11.12 Sherman Avenue. The above referenced portion of Sherman Avenue to be included

within the Property to be annexed shall be transferred to the City by the Town as part of the consideration for the Agreement by a Quit Claim Deed. The Town and the City will jointly own such portion of Sherman Avenue and will each have full rights to maintain it. In addition, the Town shall retain easements over such Property for Town utilities.

11.13 Establishment of Sewer Service. Sewer service shall be established by the City at its cost to the western end of the Property, enabling the Town to extend sewer service in the future.

11.14 Easement for Town. The City will provide an acceptable easement for access to the Town for Tax Map parcel no. 309.06-1-78.

11.15 Duration. This Agreement shall survive the date of annexation and shall have a duration as set forth in section 2.

Section 12

Conditions To Agreement

12.01 This Agreement is subject to and conditioned upon the following:

12.01.01 Approval of the Queensbury Town Board.

12.01.02 Approval of the Glens Falls Common Council.

12.01.03 Approval of the Glens Falls Water and Sewer Board.

12.02 The Town's right to purchase Additional Purchased Capacity pursuant to sections 4.01 and 4.02 of this Agreement is subject to and conditioned upon the following:

12.02.01 The Veterans Field Light Industrial Park (the Northway Business Park) becoming a part of, and incorporated within, the City of Glens Falls in accordance with the terms of this Agreement. The Town will commence its responsibilities to accomplish the annexation process immediately upon execution of this Agreement, and will continue expeditiously with all its required actions necessary to accomplish the annexation of such property in concert with the City. While the Town agrees that it will proceed with annexation expeditiously, it is an important condition to the completion of the annexation process that the conditions listed in 12.02.02 and 12.02.03 are satisfied before such property shall be annexed to the City. Accordingly, the Town and the City agree that all consents, orders and any other documentation associated with annexation shall include the requirement that such property shall not be annexed by the City until Sections 12.02.02 and 12.02.03 are satisfied and the City formally notifies the Town of this in writing.

12.02.02 Execution of a forty year (or such shorter term as the City may elect to agree to) sales tax agreement between Warren County and the City, and all pre-conditions to the agreement, including the enactment of legislation permitting the agreement and the approval of the State Controller, having been met.

12.02.03 Said sales tax agreement being contingent upon the execution of this Agreement.

Section 13 Sales Tax Agreement

The parties agree that the above referenced sales tax agreement between the City and Warren County, pursuant to which the County will annually pay the City an amount equal to 2% of its retained sales tax revenue, constitutes an important and substantial portion of the consideration for the City to enter into this Agreement. Therefore, in any given year that such revenues are not paid to the City, the Town will not have the ability to purchase additional capacity at 75 cents (\$.75) per gallon, but instead at whatever other price the parties are able to agree upon. The Agreement shall continue with respect to all then existing Purchased Capacity.

Section 14 Force Majeure

Each of the parties hereto shall be excused (other than payment obligations for services rendered before the occurrence of the force majeure) from performance hereunder to the extent prevented by any cause beyond its reasonable control, including but not limited to strikes, fire, floods, and other acts of God, to the extent such event was not caused by or contributed by an act or omission of such party and the effects of which could not have been prevented, avoided, or mitigated by due diligence if reasonable efforts had been expended by such party. Any party so excused shall use due diligence to correct or remove the cause giving rise to any such condition and to resume full performance herewith as soon as possible. The City shall maintain adequate insurance for any such "force majeure" to replace the POTW Treatment Plant, and the Town's payment obligations shall only be for services rendered prior to such "force majeure."

Section 15 Notices

All notices given with regard to this Agreement shall be in writing and sent by certified mail, return receipt requested. Notices shall be deemed given two days after being so mailed to the following addresses:

To the City:
Mayor
City of Glens Falls
42 Ridge Street
Glens Falls, New York 12801

To the Town:

Supervisor

Town of Queensbury

742 Bay Rd.

Queensbury, New York 12804

Section 16 Waiver

No waiver by either party of any term or condition of this Agreement shall be effective unless in writing and signed by the party to be charged, nor shall any such waiver be deemed or construed as waiver of any other term or condition, nor shall a waiver of any breach be deemed to constitute a waiver of any subsequent breach, whether of the same or another provision of this Agreement.

Section 17 Severability

Should any one or more of the provisions of this Agreement for any reason be held to be invalid by a court of competent jurisdiction, such invalidity shall not affect any other provision of this Agreement, and this Agreement shall in all circumstances be construed and enforced as if such invalid provision had not been contained herein.

Section 18 Compliance with Law

This Agreement is governed by, and the parties will comply with all requirements of, the Applicable Law. The parties will review and revise this Agreement to ensure compliance with Applicable Law, as necessary.

Section 19 Costs of Litigation

In the event of litigation between the parties with regard to this Agreement, the prevailing party (as determined by the Court) shall be awarded all of its costs and expenses incurred as a result of the litigation, including without limitation, accountants' fees, attorneys' fees, witness fees, travel expenses, copying costs and communications costs.

Section 20

Assignment

This Agreement may not be assigned by either party without the prior written consent of the other party. However, the City may contract with third parties of its choice for the operation, maintenance and management of the City's POTW providing that such a contract will not interfere with the Town's rights or the amounts the Town owes under this Agreement.

Section 21

Counterparts

This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which shall constitute one agreement.

Section 22

Entire Understanding

This Agreement represents the entire understanding of the parties and supersedes any prior agreements relating to the subject matter hereof. The parties agree to modify this Agreement as may be required to comply with applicable law including, but not limited to, an order of a court or direction of an agency of competent jurisdiction. This Agreement may be modified only by a written instrument signed by the parties hereto.

IN WITNESS WHEREOF, each of the parties has duly executed this Agreement as of the Effective Date.

CITY OF GLENS FALLS


ROBERT A. REGAN
MAYOR

TOWN OF QUEENSBURY

BY:


DENNIS R. BROWER
SUPERVISOR

STATE OF NEW YORK)

ss:

COUNTY OF WARREN)

On the 25th day of March, 2002, before me personally appeared Robert A. Regan to me known, who being duly sworn, did depose and say that he is the Mayor of the City of Glens Falls and the Chairman of the Board of Water and Sewer Commissioners of the City of Glens Falls, and that he signed his name hereto as authorized by resolutions of said Board and the Common Council of the City of Glens Falls.


Notary Public

My comm. expires 9/13/05

STATE OF NEW YORK)

ss:

COUNTY OF WARREN)

On the 25th day of March, 2002, before me personally appeared Dennis R. Brower, to me known, who, being duly sworn, did depose and say that he is the Supervisor of the Town of Queensbury, and that he signed his name hereto as authorized by resolution of the Town Board of the Town of Queensbury.


Notary Public

My comm. expires 9/13/05

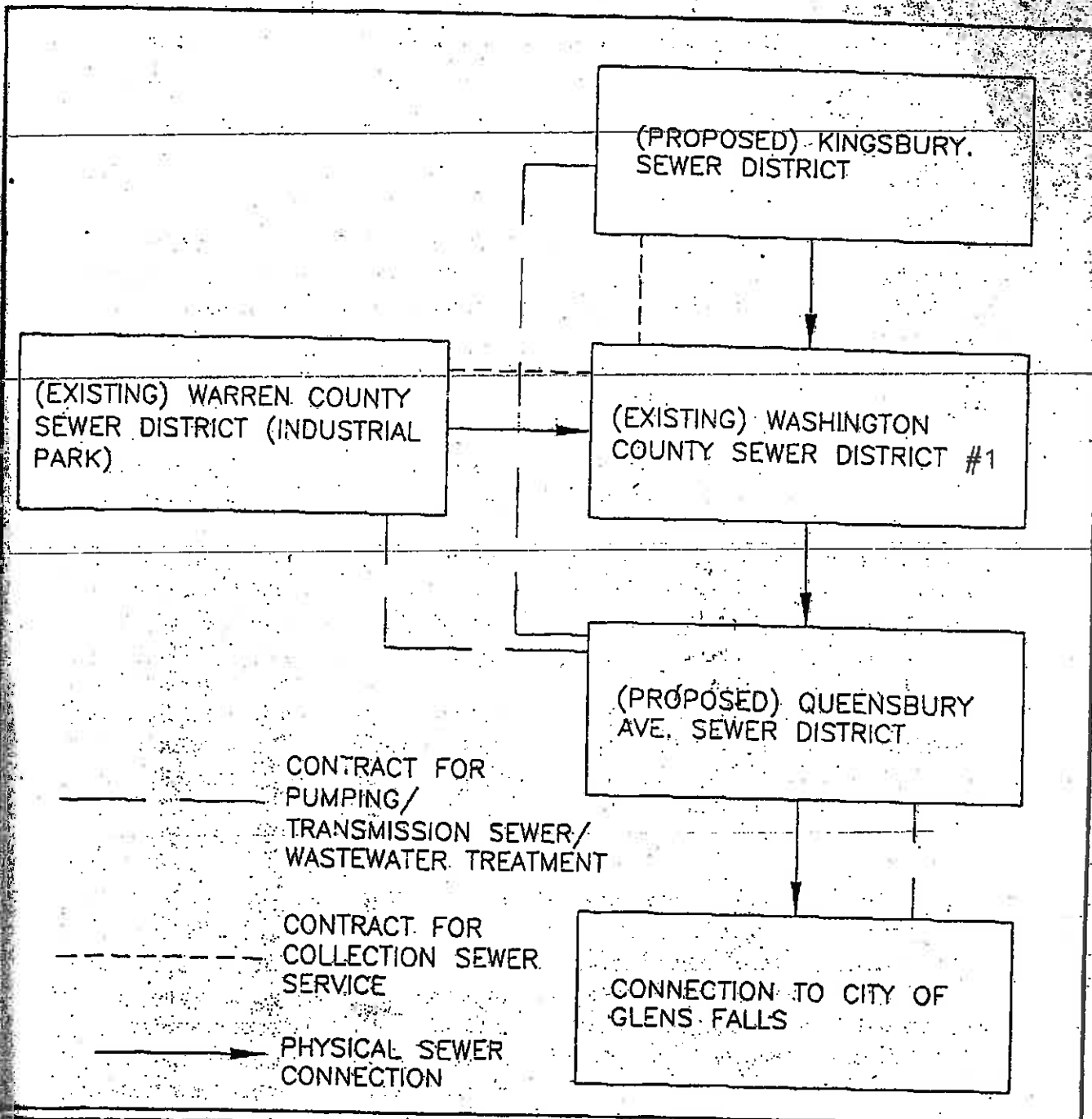
EXHIBIT A

EXHIBIT B

EXHIBIT C

EXHIBIT D

EXHIBIT E



△						DRAWING:	
△						FD	
DATE	REV #	ISSUED / REVISIONS				BY	
PROPOSED DISTRICT CONNECTIONS				JARRETT-MARTIN ENGINEERS, PLLC PROFESSIONAL ENGINEERING			
QUEENSBURY AVE. SEWER DISTRICT & ASSOCIATED SEWER DISTRICTS				12 EAST WASHINGTON STREET GLENS FALLS, N.Y.			
JUNE 2001		PRO# 92-86		SHEET: 1 of 1		PHONE: (518) 792-2907 FAX: (518) 798-1864	
				FILE: FA 826081301 Sewer District Flow Diagram.dwg		PLOTTER / PLOTTED: 12/12/00 12:09AM	

JARRETT-MARTIN ENGINEERS, PLLC

Professional Engineering

H. Thomas Jarrett, P.E.

Kenneth Martin, P.E.

RECEIVED

June 26, 2001

JUN 27 2001

Mike Shaw, Deputy Wastewater Director
Town of Queensbury
742 Bay Rd.
Queensbury NY 12804

FITZGERALD, MORRIS,
BAKER, FIRTH

James Fischbeck, Executive Director
Washington County Sewer District #1
Cortland St.
Ft. Edward NY 12828

Paul Dusek, Esq.
Warren County Attorney
1340 State Route 9
Lake George, NY 12845

Terry Gould, Supervisor
Town of Kingsbury
Main St.
Hudson Falls NY

Re: Queensbury Avenue Sewer District, and associated districts:
Washington County Sewer District #1
Warren County Sewer District-Industrial Park
Kingsbury Sewer District

Ladies and Gentlemen,

District Formation Reports for the South Queensbury - Queensbury Ave. Sewer District and the Kingsbury Sewer District have been prepared and distributed under separate cover. This letter is intended to clarify the relationship between those two proposed sewer districts and the existing districts at the Warren-Washington Counties Industrial Park.

East Washington St. • Glens Falls, NY 12801

879-792-2907 / 518-798-1864 Fax

Printed on Recycled Paper

The Queensbury Ave. Sewer District is proposed to include specific parcels from Quaker Rd., at Apollo Drive, east along the Niagara Mohawk Power Corporation (NMPC) Right of Way and then north along Queensbury Avenue, to the Floyd Bennett Memorial Airport. The impetus to form the new district was to facilitate transmission of sewage from the existing "Washington County Sewer District #1", which serves Washington County parcels within the Warren -Washington Counties Industrial Park, and which currently owns an aging wastewater treatment plant, to Glens Falls. To do this, a new pump station, at the entrance to the airport, along with almost 3 miles of force main sewer will be constructed.

The existing "Warren County Sewer District (Industrial Park)" currently obtains sewer service (collection sewers and wastewater treatment) through a contract with the "Washington County Sewer District #1". Following implementation of the proposed Queensbury Ave. Sewer District, the Warren County district will continue to contract with the Washington County District for collection sewer service, but will now contract directly with the Queensbury Ave. Sewer District for transmission facilities and sewage treatment. This relationship is addressed in the "Queensbury Ave. Sewer District Formation Report", originally dated July 2000 and revised September 2000, along with Addendum #1 dated October 2000 and Addendum #2 dated June 2001.

Two parcels owned by the Warren -Washington Counties Industrial Development Agency (IDA) north of Casey Rd. in the Town of Kingsbury were originally proposed for inclusion in the Queensbury Ave. Sewer District. Subsequent to preparation of the Queensbury Ave. Sewer District Formation Report, the Town of Kingsbury expressed a desire to form a separate Kingsbury Sewer District that would encompass the two IDA lots. A sewer district formation report for this district was prepared and dated May 2001.

The districts are planned to function in tandem. The proposed Queensbury Ave. Sewer District will function as the parent district and will contract with the City of Glens Falls for wastewater treatment capacity for the entire project. The existing Washington County Sewer District #1, at the Industrial Park, will connect directly with the Queensbury Ave. Sewer District and will contract for pumping, transmission, and wastewater treatment service. Likewise, the existing Warren County Sewer District (Industrial Park) and the proposed Kingsbury Sewer

Shaw, Fischbeck, Dusek, Gould
Re: Queensbury Ave. Sewer District & Associated Districts

June 26, 2001

District both are/will be connected to the Washington County Sewer District #1 collection sewer system and will contract with that district for collection sewer service. For simplicity, each of those districts will contract directly with the Queensbury Ave. Sewer District for pumping, transmission, and treatment capacity. The attached flow diagram illustrates how the districts will physically be connected as well as how the contractual arrangement is proposed.

The two sewer district formation reports, (the Queensbury Ave. Sewer District and the Kingsbury Sewer District) should be reviewed in conjunction with one another; SEQR forms to identify potential environmental impacts have been prepared for each district, separately, for clarity, however, the forms together comprise one SEQR form for the entire project.

If you have any questions, we may be reached at 792-2907.

Sincerely,
Jarrett-Martin Engineers, PLLC



M. Thomas Jarrett, P.E.
Principal

CC: Robert Hafner, Esq.; Queensbury Town Attorney
Stan Pritzker, Esq.; Kingsbury Town Attorney
Kevin O'Shell, Esq.; WWIDA Attorney
Roger Wickes, Esq.; Washington County Attorney

EXHIBIT

B

EXHIBIT

C

EXHIBIT

D

EXHIBIT

E

Earth Tech Factors

This schedule summarizes the administrative, treatment and disposal, and collection and transmission expenses that constitute the scope of services provided by Earth Tech Inc to the City of Glens Falls under the term of the sewage treatment contract dated December 21, 2000. This schedule is intended to identify those Earth Tech Factors related to sewage treatment and collection that will comprise the Base O & M Charge to the Town at such time as the City's contract with Earth Tech is no longer in place. (See ¶5.02).

The expenses included in the original Earth Tech contract do not include all expenses associated with sewage collection and treatment. Paragraph 5.03 provides that the Town's share of the non-delineated Non-Earth Tech Factors will be paid by a 25% surcharge to the Base O & M Charge. At such time as the City's contract with Earth Tech is no longer in place, or that the original contract is modified as to scope of services, the City will provide billing detail that will substantiate that the Base O & M Charge complies with paragraph 5.02 and the following Earth Tech Factors:

Staff salaries to personnel performing the following administrative functions and tasks:

- personnel and payroll administration
- accounting directly related to sewage treatment plant operations
- excludes engineering and legal services

Salaries to personnel performing the following operational functions and tasks:

- plant management
- industrial pretreatment program management
- certified operators
- sewer equipment repair mechanics
- laboratory personnel salaries for required monitoring of plant and process control analysis
- sewage treatment equipment operators and laborers
- salaries associated with operating the sewage collection facility currently estimated at 70% of the total salaries to operate the sewage collection and water transmission facilities
- excludes salaries for work performed outside the scope of sewage plant operations.

Mandatory payroll taxes and insurances for all staff performing all the above functions and tasks including but not limited to workers' compensation and disability insurances.

Fringe benefits for eligible staff performing the above functions and tasks including but not limited to health and dental insurance, retirement plan contributions, and long-term disability insurance.

Training of personnel performing all the above functions.

Licensing of personnel who must be certified to perform the functions described above.

Administrative support including the following expenses:

- office equipment located at the Sewer Plant
- printing and mailing
- telephone

Operating expenses including the following:

- treatment chemicals
- laboratory supplies consumed in the plant monitoring and process control analysis and used in the industrial pretreatment programs operations
- communications equipment and supplies
- fuel oil, natural gas, and electricity used for heating and lighting of the plant and support buildings
- maintenance, cleaning, and safety expenses directly related to the operation of the plant, support buildings, and grounds, and the sewer collection system
- uniforms, protective clothing, and cleaning services for eligible sewer plant personnel
- removal and disposal of ash and refuse produced in the sewage treatment operation; excludes ash from other sources
- removal and disposal of refuse produced in maintaining the sewage collection system and not associated with sewer collections system capital projects
- vehicle operation and maintenance related to sewage treatment operations and collection system operations

50% of property and automobile insurance related to sewer plant operations and sewage collection system operations.

Regulatory agencies fees related to the operations of the sewer plant paid by Earth Tech rather than by the City.

EXHIBIT C

EXHIBIT D

EXHIBIT E

CITY OF GLENS FALLS
WASTEWATER PLANT RECONSTRUCTION PLAN

Plant Equipment	Current Age	Replacement/Repair Year	Estimated Cost	
Bar Screen - Mechanical	15	1	188000	
Secondary Clarifier Painting	15	1	25000	
Replace sprockets for #3 & #4 primary clarifiers	15	1	4,700	
Replace check and shutoff valves for secondary scum pump	15	1	1,100	
Repair Incinerator Roof	15	1	3,500	
Replace glassware washer in laboratory	15	1	5,500	
*Headworks Odor Control Equipment	0	1	229000	
*Fine Bubble Diffuser System Tank #1	6	1	476000	
Flotation Thickeners Rebuild #1	15	1	5000	
Flotation Thickeners Rebuild #2	15	1	5000	
*Sludge Transfer Facilities Building	10	1	479000	
*Sludge Processing Odor Control	10	1	134000	
Ash lagoons (2) & Ramps	15	1	100000	
Incinerator Refractory - Reactor Vessel	15	1	50000	
Incinerator Outer Vessel Repairs	15	1	50000	
Incinerator Heat Exchanger Tee and Cap	15	1	30000	
Incinerator-Scrubber-Repairs	15	1	25000	
HVAC Systems (4)	15	1	44000	
*Aeration System Blower System	15	1	585000	\$2,431,800
Secondary Clarifier Dewatering Pump Upgrades	15	2	25000	
Aeration Tanks Concrete Work (2)	15	2	50000	
Final Settling Tanks Concrete Structures (3)	15	2	25000	\$100,000
Primary Sludge Grinder (Muff. Monst.)	7	3	15000	
Belt Filter Press #1 Upgrades	15	3	50000	
Belt Filter Press #2 Upgrades	15	3	50000	
Incinerator Preheat Burner System	15	3	40000	
Forklift	15	3	25000	
Sludge Dozer	15	3	60000	
GMC JIMMY	1988	3	25000	\$265,000
Primary Scum Pumps (2)	14	4	9,000	
Primary Sludge Pumps (2)	15	4	9000	
Other Electrical Systems Upgrades	15	4	250000	
FORD UTILITY	1992	4	25000	\$293,000
Primary Settling Concrete Tanks (4) Patch Work	28/15	5	50000	
Primary Settling Filght, Chains, Sludge Screws(4)	5	5	40000	
I&C Systems	15	5	50000	
Laboratory Equipment	15	5	25000	
Main Influent Flow Meter	6	5	10000	
Grit Chambers / Vortex Drive	15	5	75000	
Final Clarifier Drive #1, and rake	15	5	50000	
Final Clarifier Drive #2, and rake	15	5	50000	
Final Clarifier Drive #3, and rake	15	5	50000	
Computers	15	5	15000	
Incinerator Refractory - Reactor Vessel	15	5	250000	
Incinerator Refractory - Heat Exchanger	15	5	300000	
Incinerator Compressor Purge Air Unit Assembly	15	5	25000	
Incinerator Control System - Instrumentation Upgrades	15	5	35000	
Incinerator Freeboard Heat Dampening Sprayers & Sensors	15	5	10000	
Incinerator Dome	15	5	300000	
Incinerator Tyweers	15	5	150000	
Incinerator Wind Box Refractory	15	5	15000	
Secondary Scum Pump #1	15	5	4000	
Secondary Scum Pump #2	15	5	4000	
Secondary Scum Pump #3	15	5	4000	
DAF Sludge Grinder	15	5	15000	\$1,527,000
DAF Recirc. Pump #1	15	6	8000	
DAF Recirc. Pump #2	15	6	8000	\$16,000
Grit Chamber Screw Conveyors (1)	15	7	15000	\$15,000
Automatic Samplers (5)	2	8	15000	
DAF Reaeration Pump #2	15	8	5000	
DAF Reaeration Pump #1	15	8	5000	\$25,000
Incinerator Scrubber System	15	10	25000	
Incinerator Ash Removal Pumps & Piping	15	10	50000	
Laboratory Equipment	15	10	25000	
Bar Screen Belt Conveyor	15	10	15000	
Grit Air Blowers (2)	15	10	5000	
Return Sludge Pumps #1	15	10	15000	
Return Sludge Pumps #2	15	10	15000	
Return Sludge Pumps #3	15	10	15000	
Waste Sludge Pump #1 & Motor	15	10	15000	
Waste Sludge Pump #2 & Motor	16	10	15000	
HVAC Systems (14)	15	10	150000	

* The cost estimates for these Year 1 items are based on a draft report by O'Brien Gere and are expected to change.

Permanganate Feed Systems (2) Odor Control	15			
DAF Polymer Feed Systems (2)	15			
BFP Polymer Feed Systems (3)	15			
BFP Polymer Transfer Pump #1	15			
BFP Polymer Transfer Pump #2	15			
Air Compressor, Tunnel	15			
Spray Effluent Water Pumps #1 & Motor	15			
Spray Effluent Water Pumps #2 & Motor	15			
Scrubber Effluent Water Pump #1	15			
Scrubber Effluent Water Pump #2	15			
Incinerator Scrubber Repairs	15			
Process Drain Pump #1	15			
Process Drain Pump #2	15			
DAF Compressor #1	15			
DAF Compressor #2	15			
DAF TWAS Pump #2	15			
Blended Sludge Pump #1	15			
Blended Sludge Pump #2	15			
Blended Sludge Pump #3	15			
BFP Spray Booster Pump #1	15			
BFP Spray Booster Pump #2	15			
BFP Spray Booster Pump #3	15			
Data Acquisition Systems	15			
DAF TWAS Pump #1	15			
Building Roofs	15			
Other Building Structure Repairs	15			
Addition of Fourth Secondary Clarifier	20	15		
Laboratory Equipment	15			
Incinerator Repairs	15			
Primary Settling Flight, Chains, Sludge Screws(4)	5	15		
High Press. Eff. Water Pump #1	15			
High Press. Eff. Water Pump #2	15			
Hydropneumatic Tank Water Supply Pump #1	15			
Hydropneumatic Tank Water Supply Pump #2	15			
Sludge Blending Tanks (2) Equipment	15			
Schwing Dewatered Sludge Pump #1	15			
Schwing Dewatered Sludge Pump #2	15			
Bobcat	10			
Fine Bubble Diffuser System Tank #2	2			
Laboratory Equipment	15			
Concrete Tank Work	15			
Primary Settling Flight, Chains, Sludge Screws(4)	5			
I&C Systems	15			
Incinerator Scrubber Repairs	15			
Incinerator Repairs	15			
TOTAL				\$8,849,800
ANNUALIZED TOTAL				\$492,490
QUEENSBURY COST FACTOR				0.078
QUEENSBURY ANNUAL COST				\$37,273.72

Sewer Plant Capacity 9.5
 Queensbury Purchased Capacity 0.719
 Queensbury Cost Factor 0.078

*The cost estimates for these Year 1 items are based on a draft report by O'Brien Gere and are expected to change.

EXHIBIT D

EXHIBIT E

§ 179-26.1. Veterans Field Light Industrial Park District.

- A. District purpose. The purpose of this district is to allow the creation of a "shovel-ready" industrial park such that allowed uses that meet the criteria of this chapter may proceed to construction upon obtaining a building permit without the need for site plan review. Allowed uses that do not meet these criteria may follow the procedures for site plan review contained in Article V of this chapter.
- B. District location. This district shall apply to Town of Queensbury tax parcels 116-1-7, 116-1-8 and 118-1-7.1.
- C. Principal permitted uses. Any light manufacturing, assembly, production, office or other industrial or research use that complies with the standards of this chapter and the model site plan, which is hereby made a part of this article.
- D. Type II site plan review uses: any light manufacturing, assembly, production, office, or other industrial or research use that does not comply with one or more of the standards of this chapter and the model site plan.
- E. Area requirements.
- (1) Maximum building height: 50 feet.
 - (2) Maximum building coverage: 30%.
 - (3) Minimum green space requirement: 30%.
 - (4) Minimum exterior setback: 50 feet.
 - (5) Minimum interior setback: 20 feet.
- F. Site requirements.
- (1) A twenty-foot landscaped buffer shall be maintained along the frontages of Luzerne Road, Veterans Road and Sherman Avenue.
 - (2) Parking shall not exceed 1 space per 500 gross square feet of development.
 - (3) At least 5% of parking lot interiors shall be devoted to green space.
 - (4) Parking lot lighting shall be provided by shoebox-style fixtures mounted on poles not exceeding 20 feet in height. Interior parking lot lighting shall not exceed 7.5 footcandles. Lighting shall not spill off the lot boundary.
 - (5) Wall-mounted lights shall be aimed at the ground.
 - (6) All uses shall be required to provide interconnection across the front and rear of each lot with the lot adjacent. Such connection shall result in an interior circulation pattern substantially as shown in the model site plan and overall concept plan.
- G. Building appearance. Buildings shall generally be of masonry or wood construction. Butler or metal-type buildings shall be allowed where there is a front office space of masonry or wood construction.
- H. Environmental standards.
- (1) Uses shall not generate trips in excess of 1.01 trips/1,000 gross square feet during the hours of 7:00 a.m. to 9:00 a.m. and 1.08 trips/1,000 gross square feet during the hours of 4:00 p.m. to 6:00 p.m.

(2) Noise shall not exceed 70 dBA at the exterior property line during the daytime, and 63 dBA at night.

(3) Uses shall not generate particulate matter exceeding an opacity of two on the Ringelman Scale.

(4) Uses shall not generate noxious odors.

(5) Uses shall not produce noticeable vibration at the exterior property line.

(6) Uses shall not produce radiation measurable at the exterior property line.

(7) No physical disturbance to the wetlands on any property shall be allowed unless in compliance with current ACOE permit standards.

(8) Stormwater shall be conveyed by natural drainage to the interior wetland area and to drywells and catch basins in the surrounding roadways, which in turn must be connected to existing drainage systems in Luzerne Road and/or Sherman Avenue.

(9) Dust control measures shall be implemented during construction. Water shall be sprayed on open, unvegetated areas to suppress dust during construction. No area may remain open or unvegetated for more than 30 days.

I. Responsibility for shared maintenance and connection.

(1) All uses shall be responsible for providing easements to allow the connection of roadways and utilities across adjoining lots.

(2) Uses on Lots 1, 2, 3, 4, 5 and 6 shall be responsible for providing easements to allow the sharing of driveway access and the free connection of traffic from the driveways to each lot.

(3) All uses shall be required to construct stormwater drainage systems in substantial compliance with the approved subdivision plans.

(4) All uses shall have equal responsibility for any maintenance activities related to stormwater management on the wetlands located on the interior of the property.

(5) All uses shall be responsible for the maintenance of that portion of the stormwater management system located on their property.

J. Preparation of plans. All plans shall be prepared by an appropriately registered professional engineer, landscape architect and/or surveyor, and/or by a person possessing the appropriate educational exemption, who shall certify that the detailed design conforms to the design concepts and criteria included in the subdivision plans.

K. Applicability of other standards. Other standards in the Zoning Ordinance not specifically addressed in this chapter shall be applicable to uses in this district. Examples are regulations pertaining to signage or fences.

EXHIBIT E

AGREEMENT OF FIRE PROTECTION

BETWEEN

THE CITY of GLENS FALLS FIRE DEPARTMENT
And
THE WEST GLENS FALLS VOLUNTEER FIRE DEPARTMENT

FIRE PROTECTION for VETERANS FIELD

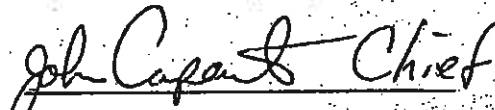
The under signed Chiefs, of the above mentioned Fire Departments, have reached the following agreement, for supplying fire protection, for that portion of the City of Glens Falls located within the Town of Queensbury, protected by the West Glens Falls Volunteer Fire Company.

- ❖ Fire Protection will be provided under a mutual-aid agreement, between the City of Glens Falls and the West Glens Falls Fire Departments.
- ❖ Both departments will be simultaneously dispatched to the scene.
- ❖ The Glens Falls Fire Department will be the department in charge of all incidents.
- ❖ Personnel from the West Glens Falls Volunteer Fire Department will be utilized as needed.
- ❖ Members of the West Glens Falls Volunteer Fire Department will be utilized prior to the arrival of recalled personnel.



Ronald P. Cote, Fire Chief

City of Glens Falls Fire Department



John Carpenter, Fire Chief

West Glens Falls Vol. Fire Department

DATE

Nov. 1, 01

DATE

Nov. 5, 01



TOWN OF QUEENSBURY

742 Bay Road, Queensbury, NY 12804-5902

518-761-8201

MEMORANDUM

TO: Darleen M. Dougher, Town Clerk

FROM: Pamela Martin, Legal Assistant *pam*
Town Counsel's Office

DATE: May 20, 2003

RE: Intermunicipal Agreement Concerning South Queensbury – Queensbury
Avenue Sanitary Sewer District
Our File No.: 323

In accordance with Resolution No.: 428,2001 adopted on November 19th, 2001, attached for your files is the original, fully-executed Agreement.

/pam

c: Marilyn Hammond, Account Clerk

**RESOLUTION AUTHORIZING INTERMUNICIPAL AGREEMENT
CONCERNING SOUTH QUEENSBURY - QUEENSBURY AVENUE
SANITARY SEWER DISTRICT**

RESOLUTION NO.: 428, 2001

**INTRODUCED BY: Mr. Daniel Stec
WHO MOVED ITS ADOPTION**

SECONDED BY: Mr. Theodore Turner

WHEREAS, the Town of Queensbury wishes to create a new sewer district to be known as the South Queensbury-Queensbury Avenue Sewer District, and

WHEREAS, a Map, Plan and Report has been prepared by Jarrett-Martin, LLP, professional engineers, concerning the proposed sewer district formation to connect the existing Washington County Sewer District #1 (WCSD#1) Wastewater Treatment Plant to the City of Glens Falls Wastewater Treatment Plant (GFWWTP) along a route following Queensbury Avenue and the Niagara Mohawk Right of Way, which area would also include 30 lots in the Warren-Washington Counties Airport Industrial Park, the Floyd Bennett Memorial Airport and several parcels along the proposed force main route to the City of Glens Falls, as more specifically set forth and described in a Map, Plan and Report prepared by Jarrett-Martin Engineers and filed in the Queensbury Town Clerk's Office, and

WHEREAS, the Town of Queensbury, on behalf of itself and the proposed South Queensbury – Queensbury Avenue Sewer District, the Town of Kingsbury on behalf of itself and the proposed Kingsbury Sewer District, Warren County, on behalf of the Warren County Industrial Park Sewer District and Washington County on behalf of itself and the Washington County Sewer District #1 have negotiated terms to enter into an Intermunicipal Agreement concerning creation of the new Sewer District and the construction of sewer infrastructure and appurtenances, and

WHEREAS, a draft of the proposed Intermunicipal Agreement has been presented at this meeting,

NOW, THEREFORE, BE IT

RESOLVED, that the Queensbury Town Board hereby approves of the Intermunicipal Agreement concerning creation of the South Queensbury – Queensbury Avenue Sewer District in form acceptable to Town Counsel, the Town Supervisor and the Town Wastewater Director, and

BE IT FURTHER,

RESOLVED, that the Town Board further authorizes and directs the Town Supervisor to execute the Intermunicipal Agreement and take such other and further action necessary to effectuate the terms of this Resolution.

Duly adopted this 19th day of November, 2001, by the following vote:

AYES : Mr. Brewer, Mr. Brower, Mr. Turner, Mr. Stec

NOES : None

ABSENT: None

ABSTAIN: Mr. Martin

APPENDIX C

**DOCUMENTS RELATED TO PRIOR REGIONAL WATER AND WASTEWATER
EFFORTS IN FULTON COUNTY**

Appendix C:

1997 Fulton County Economic Development Strategy, Prepared by the Fulton County Planning Board.

FULTON COUNTY ECONOMIC DEVELOPMENT STRATEGY

PREPARED BY:

FULTON COUNTY PLANNING BOARD

May 1997

FULTON COUNTY ECONOMIC DEVELOPMENT STRATEGY

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FULTON COUNTY ECONOMIC DEVELOPMENT STRATEGY

PREPARED BY:

**FULTON COUNTY PLANNING BOARD
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I. BACKGROUND

A. 1985 Economic Development Strategy

In 1985, the Fulton County Planning Board, the Fulton County Economic Development Corporation and the Fulton County Chamber of Commerce jointly prepared an Economic Development Strategy for Fulton County. This strategy recommended the following actions be taken:

- (1) Develop
 - a revolving loan fund
 - serviced industrial sites
 - "Incubator" type building(s)
 - a small business center
 - a technical database
- (2) Coordinate the local permitting processes.

By the mid 1990's, Fulton County's Economic Development Agencies, working together with elected and appointed officials, implemented most of these recommendations.

Noteworthy achievements included the following:

- Crossroads Industrial Park was created
- Johnstown Industrial Park was created
- Incubator Building in Crossroads Industrial Park was built

- Loan pools exceeding \$6 million in assets were developed
- Gloversville Facade Improvement program was implemented
- Cayadutta Creek reclassification was postponed due to anticipation of severe economic impacts
- Fulton County Airport was constructed
- Joint Wastewater Treatment Facility was upgraded
- Fulton County Sanitary Landfill was constructed
- Economic Development Zone was created in Gloversville and extended to include the Johnstown Industrial Park
- Hale Creek Correctional Facility was constructed (and municipal water and sewer was extended to the site)
- Consolidation Study for the County was completed
- Economic Summit was held in 1992

B. County Master Plan Effort

In February 1991, the Fulton County Planning Board conducted a survey to learn what topics the residents of Fulton County believed should be included in a County Master Plan. The public input received showed, overwhelmingly, that the County's economy and job creation were the public's greatest concerns.

In September 1992, the Board of Supervisors sponsored an Economic Summit to discuss the economic future of the County. An important outcome of the Summit was a consensus that a new Economic Development Strategy was needed.

Based on this input, the County Planning Board agreed to coordinate the preparation of a new Economic Development Strategy as a master plan for Fulton County.

C. Methodology

The County Planning Board utilized the following process for preparing a new Economic Development Strategy:

1. Scope of Work:

6. Recommendations:

- Identify solutions to economic development weaknesses
- Define policies and objectives that need to be implemented

7. Preparation of Economic Development Strategy Report:

- Review First Draft of Economic Development Strategy
- Review Second Draft of Strategy
- Conclude study and present to Board of Supervisors and County's municipalities and involved economic development agencies and others.
- Incorporate comments received at the Board of Supervisor's Second Economic Summit.

D. New York State Planning Federation Grant

To help prepare this strategy and defray the Planning Department's costs, the Planning Board submitted a \$5,000 grant application to the New York State Planning Federation under its Rural New York Grant Program. The Planning Board was awarded a \$2,500 grant, to help pay for staff time, printing costs, office expenses, and related costs.

II. IMPEDIMENTS TO ECONOMIC GROWTH DEFINED

A. Meeting with Local Officials

The Planning Board's first step in developing a new economic development strategy was to gather and review available data and meet with selected community leaders to obtain their input on the strengths and weaknesses of the County's economy.

Those interviewed included:

- Jeff Bray, Executive Vice President of the Fulton County Economic Development Corporation
- Mark Retersdorf, Executive Vice President of the Fulton County Regional Chamber of Commerce
- Terry Suits, Manager of the Fulton County Office of the New York State

Department of Labor

B. Written Survey Prepared

Based upon the public input received and the economic data reviewed, the Planning Board compiled an initial list of impediments to economic growth in the County.

The Planning Board ranked these impediments as either a low, medium or high priority based upon the perceived significance and immediacy of resolution. This summary report is presented in Appendix A.

285 copies of the Summary Report were mailed on February 1, 1995 to elected officials, government leaders, businesses, civic organizations, economic development representatives, school boards, labor representatives, churches, planners, the media and many others (Appendix B). A public comment sheet was attached asking recipients for their responses (Appendix C)

C. Survey results

81 responses were received representing a 28% response rate - a statistically acceptable response. High priorities were assigned by the Planning Board to those areas receiving at least a 70% response from the public as rating a high priority. Six of these high priority impediments were substantially agreed upon:

- high local property taxes
- lack of cooperation among municipalities
- inadequate consolidation of services
- political boundaries inhibiting growth
- high cost of water and sewer services
- lack of municipal water and sewer services in rural areas.

D. Additional Impediments Added

The original list developed by the Planning Board ranked as low priorities:

- insufficient number of sites for smaller industries
- insufficient number of serviced industrial sites

However, following the Planning Board's distribution of its Summary Report compiling the public's responses, three projects were announced (and later developed) in the Johnstown Industrial Park (Wal-Mart, Ozark, and Electrometrics). Shortly thereafter, two other large scale projects were proposed for the Johnstown Industrial Park which would have nearly filled the Park to capacity. Accordingly, and considering the long lead time necessary to develop such a park, the Planning Board decided to include these as high priorities.

E. Final list of Highest Priority Impediments

To narrow the focus on the impediments inhibiting economic growth in Fulton County, the final list of impediments identified by the Planning Board included:

- lack of municipal water and sewer services to rural areas and the high cost of water and sewer for those municipal users
- insufficient number of serviced industrial sites for large and small industries.
- high local property taxes
- lack of cooperation between governmental entities in the County and the absence of consolidation or sharing of governmental services

III. IMPEDIMENTS TO ECONOMIC GROWTH REVIEWED

A. High Cost of Water & Sewer Services

1. Methodology

The County Planning Department, on behalf of the Planning Board, surveyed 20 New York State municipalities that own and operate water and sewer systems. The municipalities were asked to identify (1) their source(s) of water, (2) whether their water was treated, (3) if their residential customers were metered (and hence billable based upon consumption), (4) their pricing structure for residential, commercial and "outside" users and (5) their sewer rate structure.

In addition, the Villages of Broadalbin, Mayfield and Northville - the 3 non-city municipalities in the County that own and operate their own water systems - were also surveyed. Following this, the Planning Department compared these rates by calculating the cost of water and sewer to a 3 bedroom, 2 bathroom residence consuming 100,000 gallons of water per year (see Appendix D).

2. Survey Results

In comparison with the 20 municipalities surveyed, the cost of water in Gloversville and Johnstown is higher than most of these municipalities.

In Johnstown, water consumption decreased from 2.1 million gallons per day in 1984 to 1.7 million gallons per day in 1994, a 19% decrease.

In Gloversville, during the same period, consumption similarly decreased from 3.67 million gallons per day to 2.5 million gallons per day - a 32% decrease (see Appendix E). This decline is primarily related to a loss of industry, and particularly, the leather industry (notably, Karg Brothers, Pan Am and Crown). For example, Karg Brothers, in the early 1980's used 730,000 GPD which represented 30% of Johnstown's water consumption.

In 1984, water rates in the two cities were nearly identical, costing a typical 3 bedroom, 2 bathroom residence, just over \$100 for 100,000 gallons per year. 10 years later, this same usage was just over \$250 in Johnstown (a 140% increase) and about \$210 in Gloversville (a 98% increase).

3. Analysis

Population decline has also contributed to a decrease in water usage, as well as conservation measures by both residential and industrial users.

Water costs for the two cities are higher than nearly 80% of the municipalities surveyed. The increases between 1984 and 1994 can be attributed to the following factors:

- inflation
- administrative cost increases
- operation cost increases in Gloversville for its filtration plant
- added debt service and operation and maintenance costs arising from constitution of Johnstown's new filtration plant and development of Lanabee Reservoir.

4. Strategy

Accordingly, the two water departments should:

- examine their operation to determine if greater O&M efficiencies can be achieved
- discuss with each other the possibility of sharing and consolidating services
- eliminate any unnecessary overlap in services
- consider the benefits of merging the water departments with city government

To increase their water sales, the two cities should:

- recruit high volume water consuming industries
- sell water outside their current service areas

Recruiting high volume water consuming industries may create a paradox. Certainly, this should not be the sole focus of economic development, because many other opportunities may be lost in recruiting other industries which, although consuming less water, add incrementally to the industrial job base in the County. Also, high water consumption may result in higher sewage treatment costs. Therefore, this recommendation must be viewed realistically in this context.

Increasing sales by increasing the service areas is a more realizable goal. Consider, for example, that only about 1% of Gloversville's water sales are made outside its city limits. This presents a tremendous opportunity for outside sales, assuming, of course, that increased sales will result in stabilized or reduced water costs to City residents.

Gloversville's water system has an unused capacity of nearly 70%, while Johnstown's system has an unused capacity just over 60%. Considering that 50% of the County's population resides outside the two cities, there is a strong rationale, on a cost basis - to extend municipal water services beyond existing service areas.

5. Recommendations

- a. The two cities should maintain or decrease their water rates by
 - decreasing operational and maintenance costs where possible
 - expanding their water services areas

- sharing services and consolidating with city government, each other, or both
- b. The County, working with the two cities and their water departments and other individual municipalities should:
 - prepare and implement a countywide water (and sewer) plan, and
 - examine the benefits of a countywide water authority

B. Extension of Municipal Water and Sewer Services Beyond Existing Service Areas

1. Background the Capacity of Current City Systems

Gloversville's Water Filtration Plant has the capacity to process 8 million GPD, although currently it is only processing about 2.5 million GPD. The 5.5 million GPD differential represents almost 70% in unused capacity.

Johnstown's new water filtration plant can process 4.5 million GPD, although it currently processes only about 1.7 million GPD. This 2.8 million GPD differential represents unused capacity of just over 60%

2. Service Areas

Water and sewer services are currently extended beyond the municipal boundaries of the two cities as set forth below.

Gloversville

The water system extends along:

- North Main Street into the Queensboro Manor development north of Phelps Street in the Town of Johnstown.
- East Fulton Street Extension in the Town of Johnstown, and to several industries along NYS Route 30A.
- Hales Mills Road, NYS Route 29 and Maloney Road to the Hale Creek Correctional Facility.

Gloversville's sewer system has been extended to the Wal-Mart and Ames shopping

plaza areas.

Johnstown

Johnstown's water system extends:

- along NYS Route 67 west of the City to the Aspen Hill development
- eastward along County Road 107 to several residences

Johnstown's sewer service has been extended to the Aspen Hills development and along County Road 107 to several residences.

Both cities, in the near future, will extend water services to the areas surrounding their respective landfills, as part of the landfill closure process.

3. Methods for Extending Municipal Services

Three methods for extending water and sewer services are available to the two cities: permissive use areas, water and sewer districts, and water and sewer authorities.

a. Permissive Use Areas

The easiest manner of extending water services outside of municipalities is by creating a permissive use area. This is done by designating a specific geographic area to which water will be provided.

Typically, these boundaries are defined by a given distance from a specific road (i.e. 1000 feet on each side of County Road 'X').

Approval must be received from both the NYS Department of Health (DOH) and NYS Department of Environmental Conservation (DEC). However, both DOH and DEC do not favor this option because the municipality providing service can discontinue it at any time.

b. Water/Sewer Districts

Water/sewer districts are created by the municipality wanting to obtain these services. The municipality must legally define the geographic boundaries of the proposed service area, subject to the approval of DOH DEC and the municipality providing the service. The service providing municipality then bills the service receiving municipality which then bills the individual users.

If public monies are used to construct the district, the NYS Department of Audit and Control must also approve the district. If their analysis is that the cost per residential user is excessive (typically \$750-\$800 per year), approval may not be granted.

c. **Water/Sewer Authorities**

Water/sewer authorities are created by State legislative action, pursuant to Title VIII A of the Public Authorities Law. This law encourages cooperation among local governments in providing water and sewer services to achieve both economic and service benefits.

Authorities may issue bonds to pay for their projects, and are exempt from the taxes, special ad valorem levies, and special assessments on their real property.

Water and sewer authorities have been established nearby in the Towns of Clifton Park (water), Wilton (water and sewer), Saratoga County (water) and Rensselaer County (water and sewer).

4. Analysis

There has been no strategic plan to extend water and sewer services from the Gloversville and Johnstown systems. Extension of services has occurred on an ad hoc basis or, when required, for example - by the landfill closure project (water).

5. Strategy

The Planning Board believes that future extensions of water and sewer should be part of a long range strategic plan - not simply a response to an immediate problem of limited scope and benefit.

6. Recommendations

a. The County, two Cities, two Water Boards and the Joint Sewer Board should together:

1. Fund, prepare and implement a countywide water and sewer plan to:
 - promote growth
 - lower costs
 - expand the tax base

2. Aggressively seek funding to extend water and sewer services in accordance with the Countywide Plan.
- b. The Water Boards of the two Cities and the Joint Sewer Board should maintain or lower their water and sewer rates by:
 - increasing usage by extending their service area
 - sharing/consolidating services
 - maintaining or decreasing operational and maintenance costs where possible.
- c. A methodology to enable the cities to share in property tax revenues generated outside the Cities resulting from extension of water and sewer services beyond the Cities' boundaries, should be developed by the County, in cooperation with the two Cities.
- d. A feasibility study on creating a countywide water/sewer authority should be funded and prepared by the County, two Cities, Water Boards and the Joint Sewer Board.

C. Insufficient Inventory of Large Serviced Business Sites

1. Background

The 1985 Economic Development Strategy recommended that serviced industrial sites be developed to attract new businesses and jobs into the County, and to meet the needs of existing industry that could not expand in their current locations. Two of the sites then identified by the Planning Board have since been developed into the Crossroads Industrial Park and the Johnstown Industrial Park.

The Crossroad Industrial Park, originally containing 55 acres of usable industrial land, now has only 12 undeveloped acres remaining.

The Johnstown Industrial Park, originally containing 120 acres of usable land, has only about a third of its usable space remaining.

Considering the rapid development of these Industrial Parks, and the time, planning and effort necessary to develop a new park, the Planning Board recommends that a new industrial park be developed as soon as possible.

2. New Business Park Site Analysis

The Planning Board re-examined the sites identified in its 1985 analysis, added several additional potential sites to that list, and then analyzed the strength and weaknesses of each potential site. (See Appendix F). Following this, the Planning Board concluded that the following three sites have the greatest development potential.

a. NYS Route 30A Site (Across from Johnstown Industrial Park)

Located across the road from the Johnstown Industrial Park, this 80 acre site has excellent access to the NYS Thruway, and municipal water and sewer are available in the immediate vicinity. The site is vacant and used for farming. Some of the topography is difficult and there are some State and federally regulated wetlands on the site.

b. NYS Route 67 Site (near FMCC)

Located along the north side of Route 67 west of Fulton-Montgomery Community College, this parcel encompasses 10 parcels totaling just under 325 acres, generally used for farming, a DEC regulated wetland is in the middle of the site along with an electrical utility line which would likely necessitate dividing the park into two phases. The considerable distance of this site from municipal water and sewer would require significant expenditure to extend them to the site. Its location adjacent to FMCC could foster development of this site as a technology-focused business park.

c. NYS Route 29 Site (Ashler Road)

Located along the north side of NYS Route 29 on both the east and west sides of Ashler Road in the Town of Johnstown, this site is comprised of 7 parcels totaling just under 450 acres. There is some difficult topography on parts of this site, and there are two DEC regulated wetlands along the western border. The majority of this property is currently used for farming. Water and sewer lines run nearby and the property is easily accessible from Route 29.

3. Strategy

New serviced business sites should be developed as soon as possible to maintain a sufficient inventory of sites to accommodate existing and new business and industry. The availability of a diverse inventory of serviced business sites and the aggressive and successful marketing of them by the Fulton County Economic Development Corporation has been a cornerstone in Fulton County's recent success in business/job creation/retention.

4. Recommendations

- a. A new business park should be developed along the east side of NYS Route 30A opposite the Johnstown Industrial Park. State and Federal Grant funds should be sought and local funding provided, as needed.
- b. The development of Phase II of the Crossroad Industrial Park as a business/office park should be supported, funded and completed as soon as practicable.
- c. Planning for a new business park along NYS Route 67 west of FMCC should be initiated, including applying for grant funds and extending water and sewer services to this site and beyond to FMCC
- d. After water and sewer services are extending along Route 67, County owned land at the Fulton County Airport should be marketed.

D. Insufficient Inventory of Smaller Business Sites.

1. Background

The EDC and others have advised the Planning Board that existing "small" businesses in Fulton County have been frustrated in finding sites to construct new facilities designed to meet their individual needs. Crossroads Incubator Corporation has spearheaded the development and leasing of larger manufacturing facilities (40,000 square feet and larger) in both the Crossroads and Johnstown Industrial Parks.

However, smaller industries looking for ownership of 10,000 - 20,000 square foot buildings have expressed concerns due to the price of the land in the industrial park and the grounds to building ratios which, unfortunately, may be cost prohibitive to these smaller but just as important users. In addition, the 40,000-50,000 square foot facilities generally being constructed in the parks could not be sited elsewhere, and it was for this reason that the industrial parks were developed.

2. Analysis

A lack of a sufficient and suitable inventory of smaller business sites limits expansion and attraction (and possibly retention) of these smaller scale operations. A potential solution to this impediment is related to another problem. The two cities have obsolete industrial sites which generate nominal tax revenue and are unsuitable for adaptive reuse. However, municipal water and sewer services are already in place at these sites. The minimal site development costs makes demolition of existing

buildings, site redevelopment and recycling of these sites an attractive option for creating serviced sites for smaller businesses. This approach is better than the development of a new small business park for smaller industries outside the two cities.

3. Recommendations

- a. Small building sites within the two cities should be developed by demolishing obsolete and dilapidated buildings. Take advantage of "brownfield" exemptions.
- b. State and Federal funds should be sought to demolish these buildings and prepare the sites for development (including new state bond act funds).

E. HIGH LOCAL PROPERTY TAXES

1. Methodology/Preparation of Tables

To compare Fulton County's local property taxes with other municipalities in the State, the Planning Department compiled the five tables which appear below. This analysis projected the level of tax base growth necessary if Fulton County is to keep its tax rates stable.

Utilized in these tables is a report obtained from the NYS Department of Taxation and Finance entitled "Residential Real Property Taxes in New York State's Cities 1990-1991," which examined the property tax burden of homeowners in all cities in the State. Using information from this report, and from the Fulton County Real Property Tax Services Agency and the Fulton County Treasurer's Office, the following five tables (see Appendix G) were prepared:

- Table 1: Estimated Median Residential Property Tax Bills in New York State's Cities: 1990 Assessment Roll
- Table 2: Comparison of Total Tax Bill on a \$100,000 Home in Selected Cities in New York State
- Table 3: Comparison of Tax Bill on a \$50,000 Home in Fulton County Municipalities 1995
- Table 4: Impact of Total Assessed Value on Local Tax Bills
- Table 5: Impact of Sales Tax Revenues on Local Tax Bills

2. Analysis:

Table 1:

Table 1 identifies the estimated residential tax bill using the median selling price of a home in 1990 in every City throughout New York State. The estimated residential tax bill includes the school, city and county taxes. As illustrated by the Table, both the Cities of Gloversville and Johnstown have a median sale price for a residential unit that is significantly below the State average and median price which are \$89,468 and \$66,000 respectively. While both Cities have relatively low tax bills based on the median selling price of a typical residence, the tax bill is still high when compared as a ratio to the overall value of the houses. The tax bills in both the City of Gloversville and the City of Johnstown are below the State average and median tax bills of \$1,855 and \$1,745 respectively. However, in Gloversville, a homeowner with the average assessment of \$37,500 would pay a property tax that represented 3.2% of the assessed value of the residence. Likewise, in the City of Johnstown, a homeowner with the average assessment of \$45,500 would pay a property tax that represented 3.1% of the full value of the residence.

On the other hand, the City of Oswego, which has the lowest estimated residential tax bill using the median sale price of a home, also has a very low residential full value tax rate when compared to a percentage of the median selling price of a home in Oswego which is \$57,375. A resident owning a home assessed at this value would pay a property tax that represented only 1.2% of the full residential value of the property. The City of Rye, New York, which has the highest estimated residential tax bill using the median sale price of a home, has a very low residential full value tax rate of 1.7%. The State average for a residential full value tax rate as a percentage of the total assessed value of the property is approximately 2.4%. Therefore, the Cities of Gloversville and Johnstown are both significantly higher than the State average.

The main reason for the city of Oswego having not only the lowest estimated residential tax bill, but a very low residential full value tax rate is that there is a very small percentage of land in the City of Oswego that is classified as residential property. The City itself, is dominated by utility properties which bear the largest portion of the tax assessment.

Finally, there does not appear to be a strong correlation between those communities with a homestead tax classification and a low estimated tax bill. In fact, the communities with a homestead class tax rate appear to have estimated residential tax bills covering almost the entire spectrum of the table.

Table 2:

Table 2 shows the estimated tax bill for a residential property valued at \$100,000 in each of New York State's cities. As you can see, a \$100,000 home in both the Cities of Gloversville and Johnstown would have a very high tax bill when compared to other cities throughout New York State. In fact, the estimated tax bill in both cities would be significantly higher than the State average. The City of New York, which would have the lowest estimated tax bill, has a classified property tax system which distinguishes between four classes of properties. The residential class of properties has the lowest level of assessment in order to shift the tax burden away from individual homeowners. Once again, there does not appear to be any strong correlation between those cities with a homestead class tax rate and the estimated tax bill since homestead cities appear across the entire spectrum of the table.

However, for the most part, those communities that have a high estimated residential tax bill using the median selling price of a home, had a low estimated residential tax bill based on a residential value of \$100,000. In the Cities of Rye and Peekskill all residential sales exceeded the \$100,000 mark, meaning that there are very few properties in either of those cities that would receive an estimated residential tax bill as low as the one identified in Table 2. A \$100,000 home in the City of Gloversville or Johnstown is an upscale residence and, consequently, very few residents would be sent a tax bill as high as the one identified in Table 2.

Table 3:

Table 3 identifies the estimated tax bill for each of Fulton County's municipalities using a \$50,000 assessment. As you can see, the Cities of Gloversville and Johnstown had the highest estimated tax bills under this scenario since both of these communities provide several municipal services that are not provided in the townships. The Town of Perth had the lowest estimated residential tax bill followed by the Town of Broadalbin and the Town of Northampton. a significant portion of the new construction that is taking place in Fulton County is happening in these three communities. The average assessment of a substantial number of homes in these communities exceeds \$50,000. Consequently, a \$50,000 home in these three communities may well be below the average selling price of a home within that township. On the other hand, a \$50,000 home in the City of Gloversville or Johnstown is much closer to the average selling price of a home in either of those two communities.

Table 4:

Table 4 identifies the impact the total assessed value of all property in Fulton County

has on the average County tax rate. Before the revaluation of all properties in Fulton County, between the years 1985 and 1990, the total County Budget increased by 48.8%. During that same time, the County tax levy increased by 60.1%, yet the assessed value only increased 18.8%. Therefore, the County average tax rate had to increase 34%. In order to keep the tax rate at the 1985 level, the total assessed value of all property in the County would have had to increase by \$55 million. Unfortunately, the total assessed value of all property in the County only increased by \$17 million leaving a \$38 million shortfall.

After the revaluation of all the County's properties, between the years 1991 and 1994, the total County Budget increased by 22.6%. During that time frame, the county tax levy increased by 25.8% while the total assessed value of all of the County's properties actually decreased. Therefore, the tax rate increased by 25.8%. In order to keep the tax rate at the 1991 level, the total assessed value of all property in the County would need to have increased by \$409,000,000. As demonstrated by the table, between 1991 and 1992, the average tax rate in Fulton County had the largest increase. This increase was due to the significant drop in total assessment that took place between 1991 and 1992. Between 1993 and 1994, when total assessed values in the County began to increase, the average tax rate increase slowed substantially.

In order to stabilize the average tax rate in Fulton County, the total assessed value of all property in the County must increase. This can be accomplished with either residential, commercial or industrial development. Commercial and industrial properties typically have a higher value.

For example, between the years 1991 and 1994, it would have taken the construction of 4,100 new homes, each assessed at, \$100,000 to increase the total assessed value of all property in the County enough to maintain the 1991 tax rate. Not only is this impractical in Fulton County, but the construction of 4,100 new homes would more than likely increase both the County and individual Town tax levies because of the new services that would be required.

Table 5:

Table 5 identifies the impact of local sales tax revenues on the County tax levy. Between the years 1985 and 1994, the total County Budget increased 103%. During that same time, sales tax revenues grew by only 88%. Consequently, the County tax levy increased by 129%. Nevertheless, as shown on the table, the sales tax revenues needed to maintain the 1985 tax levy were over \$16 million, leaving the County with a shortfall of almost \$11 million.

There was an estimated \$363,609,000 in local retail sales in 1994. This generated

an estimated \$5,454,135 in local sales tax revenues. Over \$1 billion in sales would have been needed to generate enough sales tax revenues to maintain 1985 tax rates. What this means is that \$700 million in additional retail sales would have been needed by 1995 to maintain 1985 tax rates. Another way to look at this situation is to divide the total sales needed, by the number of residents in Fulton County. In 1994, each individual in the County generated, in taxable sales, an average of \$6,710. However, in order to generate enough local sales, each County resident would have needed to generate \$19,935 in sales.

While sales tax revenues represent a very significant revenue source in the total County Budget, they cannot, by themselves, produce the additional revenues needed to maintain stable tax rates. However, Fulton County must still aggressively encourage local sales since the County cannot afford to have its sales tax revenues decrease.

3. Recommendations

- a. All taxing entities within the County should proactively encourage residential, commercial and industrial development to annually increase the total assessed value of real property within the County to reduce tax rates including:
 - continuing financial support for economic development organizations.
 - developing a comprehensive land use plan.
 - preparing an inventory of sites available for development.
- b. A program to encourage residents, businesses, municipalities and school districts to purchase goods and services within the County to maximize sales tax revenues should be developed, funded and implemented by the County.
- c. A comprehensive tourism and retail sales development plan to encourage and promote tourism and retail sales and attract out-of-county revenues should be developed and implemented by the County, working with the Chamber of Commerce. This plan shall include promotion of sales of locally produced products.

F. LACK OF COOPERATION BETWEEN GOVERNMENTAL ENTITIES AND ABSENCE OF CONSOLIDATION OR SHARING OF GOVERNMENTAL SERVICES.

1. Review and Analysis of Local Governments in NYS Counties.

A series of tables comparing the number of units of government in Fulton County with other counties in New York State was prepared by the Planning Department (See Appendix H) These illustrate that Fulton County has the 7th lowest number of local governments of the 62 counties - with 16 separate sub-governments (not including school districts).

Fulton County has below the state average in terms of number of governments per 1,000 residents, and in number per square mile. Fulton County also ranks 27 out of 57 counties in terms of the number of people served by each local government.

2. Review of Consolidation Committees Report

The Planning Board reviewed the report prepared by the Committee on Consolidation of Services (See Appendix I.) Charged with the task of (a) identifying and evaluating whether certain public services currently being provided can be consolidated and (b) offering recommendations to the sponsoring municipalities (the two cities, the Town of Johnstown and the County of Fulton), the committees identified and investigated through 19 sub-committees the following areas where cost savings in the delivery of services could be achieved, including:

1. Highway Departments
2. Code Enforcement
3. Purchasing
4. Health and Liability Insurance
5. Public Water Supply Systems
6. Recycling
7. Library Systems
8. Sewer Systems
9. School Districts
10. Planning Departments
11. Computer Systems
12. Ombudsmen
13. Assessors
14. Election Inspectors
15. Personnel/Negotiations
16. Courts
17. Social Services
18. Centralized Tax Collection
19. Public Safety

3. Recommendations

- a. A standing Commission to advocate, promote and assist implementation of consolidation and sharing of services within the County should be established by the County.
- b. The standing commission should prepare a program to:
 - Implement the recommendations of the Committee or Consolidation of Services, including:
 - Establish a County Code Enforcement Program
 - Develop incentives for sharing of services and equipment by all levels of government within the County.
 - Evaluate the benefits and feasibility of combining all subgovernments into one County government.
- c. School district consolidation should be encouraged throughout the County.

G. WORKFORCE EDUCATION AND TRAINING

At the March 13, 1997, Economic Summit, sponsored by the Fulton County Board of Supervisors, representatives of the Planning Board presented the Planning Board's Economic Development Strategy. A summary of the feedback received by the Planning Board is set forth in Appendix _____. One recommendation not addressed earlier by the Planning Board was the need to ascertain the requirements for the workforce in the future. As a follow up, Dr. Priscilla Bell, Dean of Fulton Montgomery Community College, wrote a letter to the Planning Board dated March 27, 1997, offering to have FMCC host and coordinate a symposium to focus on the educational and training needs of the workforce.

The Planning Board at its April 8, 1997 meeting, strongly endorsed this idea and added the following recommendation:

1. The strengths and weaknesses of the local workforce should be analyzed with respect to current and future needs and Fulton Montgomery Community College should spearhead this effort.

Summary

The findings, conclusions and recommendations contained herein are neither surprising nor revolutionary, but are merely based upon common sense and pragmatism. Nevertheless, to achieve them requires remarkable focus; dedication; the commitment of substantial resources to develop an empirical database to educate and convince the residents of the benefits to be achieved; political will and self-sacrifice; and an unwavering commitment and belief in the benefits to be achieved.


Fulton County has been a leader in economic development and revitalization, and has recognized achievements based on sustained teamwork and commitment.

What is required now does not require a great expenditure of money. However, it requires continued leadership, teamwork and commitment. The Planning Board hopes that the attainable goals and recommendations set forth herein can be adopted by the County and all municipalities and all economic development organizations and serve as the basis of a new vision for the next millennium. The choice is greatness vs. mediocrity; achieved vision v. business as usual; success vs. stagnation.

We believe the goals and recommendations are well within reach and we are ready to assist in the efforts needed to realize them.

May 13th, 1997

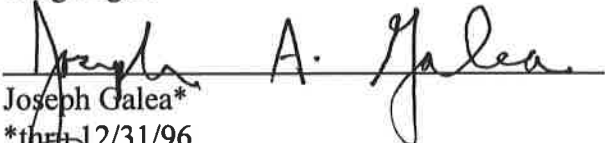
Respectfully Submitted,


J. Paul Kolodziej, Chairman

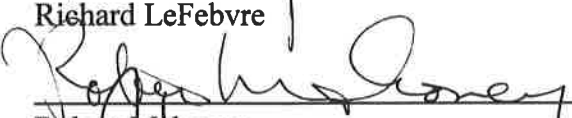

Michael M. Lewy, Vice Chairman

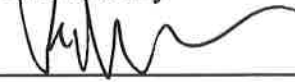

Mae Yost



Greg Fagan

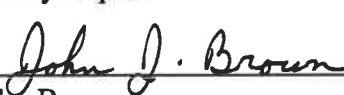

Joseph Galea*
*thru 12/31/96


Richard LeFebvre


Robert Mahoney


Peter Kiernan


Kathryn Spira


John Brown
*appointed 1/1/97

APPENDIX A

SUMMARY REPORT:

**IMPEDIMENTS TO
ECONOMIC GROWTH
IN
FULTON COUNTY**

I. BACKGROUND:

The Fulton County Planning Board in conjunction with the Fulton County Board of Supervisors, Fulton County Chamber of Commerce, Fulton County Economic Development Corporation and others is preparing a new Economic Development Strategy for Fulton County. Over the past several months, the Planning Board has sought and obtained a great deal of public input on what impediments or obstacles currently exist to promoting economic development. The input received by the Planning Board has come from a wide cross section of people and organizations.

The Planning Board has taken all of the input it has received to date and proposed a list of the highest priority impediments that currently exist to promoting economic development and growth in Fulton County. Planning Board members strongly believe that this list must be publicly reviewed by individuals, agencies, local governments and others to ensure that it represents the collective opinion of the entire community.

To that end, the Planning Board has prepared this Summary Report for you to review and comment on. The Planning Board strongly encourages you to review both the list of highest rated priority impediments as well as the overall master list of impediments to economic development.

The Board encourages your input, comments, suggestions and recommendations on:

1. Whether you agree or disagree with the rating given to those highest priority impediments.
2. Whether other impediments listed as "low" or "medium" priority should be rated as "high priority".

Your written comments are strongly encouraged. Please fill out the attached "Comment Sheet" and forward back to the Fulton County Planning Board by **Friday, February 17, 1995**. Your comments should be sent to:

**FULTON COUNTY PLANNING BOARD
1 EAST MONTGOMERY STREET
JOHNSTOWN, NY 12095**

Thank you for your assistance and input into this important project.

II. PROPOSED LIST OF HIGHEST PRIORITY IMPEDIMENTS TO ECONOMIC DEVELOPMENT AND GROWTH IN FULTON COUNTY:

1. Development Related Impediments:
 - A. Lack of Municipal Water and Sewer Service to Rural Areas
2. Tax Related Impediments:
 - A. High local property taxes
 - B. Homestead tax is a detriment to business
 - C. Distribution of sales tax revenues
3. Labor Related Impediments:
 - A. Inadequate number of motivated and skilled laborers
 - B. Inadequate training for unmotivated and unskilled workers
4. Government Operations Related Impediments:
 - A. Lack of cooperation among local municipalities
 - B. Inadequate consolidation of services
 - C. Political boundaries inhibit growth
5. Tourism Related Impediments:
 - A. Physical appearance of community.
 - B. Lack of destination resort.
 - C. Lack of hotel rooms.
 - D. Lack of public access on the Great Sacandaga Lake.
 - E. Lack of cultural activities.
6. Retail Related Impediments:
 - A. Insufficient marketing of local retail.
 - B. Too many residents buy goods and services outside of County.
 - C. Lack of diverse retail base.
 - D. Inadequate sales tax receipts.
7. Utility Related Impediments:
 - A. High cost of water and sewer services

III. MASTER LIST OF ALL IMPEDIMENTS TO ECONOMIC GROWTH DEVELOPED BY FULTON COUNTY PLANNING BOARD FROM PUBLIC INPUT AND RATING GIVEN TO EACH BY PLANNING BOARD:

IMPEDIMENTS TO ECONOMIC DEVELOPMENT	PRIORITY		
	HIGH	MED.	LOW
1. Development Related Impediments:			
A. Insufficient serviced industrial sites			X
B. Too many older, unusable buildings			X
C. Lack of water and sewer to rural areas	X		
D. Insufficient sites for small industries			X
E. Insufficient investment in 2nd & 3rd floors of downtown buildings on Cities and Villages			X
2. Tax Related Impediments:			
A. Cost of closing old landfills			X
B. High Local property taxes	X		
C. Homestead tax provision is a detriment to businesses	X		
D. Distribution of sales tax	X		
3. Labor Related Impediments:			
A. Inadequate # of motivated and skilled laborers	X		
B. Inadequate training for unmotivated and unskilled workers	X		
C. Lack of white collar jobs		X	

	HIGH	MED.	LOW
4. Government Operations Related Impediments:			
A. Excessive State & Federal Regulations			X
B. Lack of cooperation among local municipalities	X		
C. Inadequate consolidation of services	X		
D. Poorly rated local school systems			X
E. Poorly managed government agencies			X
F. Political boundaries inhibit growth	X		
G. Weighted voting system favors rural areas over cities			X
H. Excessive government spending			X
5. Tourism Related Impediments:			
A. Physical appearance of community	X		
B. Lack of destination resort	X		
C. Lack of hotel rooms	X		
D. Lack of public access on the Great Sacandaga Lake	X		
E. Lack of cultural activities	X		
6. Retail Related Impediments:			
A. Insufficient marketing of local retail	X		
B. Too many residents buy goods and services outside of County	X		
C. Lack of diverse retail base	X		
D. Inadequate sales tax receipts	X		

	HIGH	MED.	LOW
7. Business Related Impediments:			
A. Lack of support for local businesses			X
B. Lack of incentives for existing businesses to expand			X
C. Lack of larger employer			X
D. Lack of high tech support services			X
8. Utility Related Impediments:			
A. High cost of water & sewer services	X		
B. High electric/gas rates			X
9. Housing Related Impediments:			
A. Inadequate publicity on the low cost of housing in Fulton County as compared to Capital District			X
B. Over abundance of low income housing			X
10. Transportation Related Impediments:			
A. High Costs			X
B. Lack of direct access to Thruway			X
C. Traffic signalization in two Cities			X

APPENDIX B

LIST OF ENTITIES WHO RECEIVED A COPY OF THE SUMMARY REPORT ON IMPEDIMENTS TO ECONOMIC GROWTH IN FULTON COUNTY

APPENDIX B

LIST OF ENTITIES MAILED A COPY OF THE
SUMMARY REPORT ON IMPEDIMENTS TO ECONOMIC
GROWTH IN FULTON COUNTY

Adirondack Park Agency
Senator Farley
Assemblyman Casale
Congressman McHugh
Senator Moynihan
City Planning Boards
Town Planning Boards
Town & City Supervisors
New York State Planning Federation
Industrial Development Agency
High School Local Government Classes
Johnstown Economic Development Corporation
Promote Gloversville Development Corporation
Gloversville Relief
SPRING
Retail Establishments
Gloversville Merchants Association
Johnstown Merchants Association
Johnstown Water Board
Gloversville Water Board
Joint Sewer Board
Local Labor Unions
NYS Department of Transportation
Builders & Contractors Association
Fulton County Historical Society
Fulton County Board of Realtors
Nathan Littauer Hospital
Top 25 employers in Fulton County
Fulton County Bar Association
Fulton County Farm Bureau
Soil & Water Conservation District
Niagara Mohawk
Citizens Telecom
Don Williams, Chairman, Consolidation Committee
New York State Dept. of Labor
Fulton County Dept. of Social Services
Cooperative Extension Board of Directors (Fulton Co)
Two (2) City Councils
Three (3) Village Boards
Chamber of Commerce Board of Directors
Economic Development Board of Directors
Crossroads Incubator Corp. Board of Directors
Community Heritage Corp. Board of Directors
Fulton Montgomery Community College Board of Trustees
Consortium of Economic Vitality
Mohawk Valley Economic Development District
Fulmont Development Facility, Inc.
Private Industry Council
Senior Citizens Centers (OFA)

School Boards
BOCES Board of Directors
State & Federal Representatives
Kuwanis
Lions
Rotary

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APPENDIX C

**PUBLIC COMMENT SHEET ON
PLANNING BOARD'S SUMMARY REPORT
ON IMPEDIMENTS TO ECONOMIC
GROWTH IN
FULTON COUNTY**

APPENDIX C

PUBLIC COMMENT SHEET
ON
PLANNING BOARD'S SUMMARY REPORT ON
IMPEDIMENTS TO ECONOMIC GROWTH IN
FULTON COUNTY

This Comment Sheet contains the list, proposed by the County Planning Board, of the highest priority impediments to economic development in Fulton County that should be included in the new Economic Development Strategy. Please identify for each of these impediments whether you agree or disagree with the high priority rating given to it by the County Planning Board. After completing that review, please identify other impediments from the Master List of impediments that you feel should be rated as high priority.

PLEASE COMPLETE & RETURN THE COMMENT SHEET
TO THE COUNTY PLANNING BOARD BY 5:00 P.M.
FRIDAY, FEBRUARY 17, 1995

PROPOSED LIST OF HIGHEST PRIORITY IMPEDIMENTS TO ECONOMIC DEVELOPMENT:

1. Development Related Impediments:	AGREE	DISAGRE
A. Lack of Municipal Water and Sewer Service to Rural Areas		
2. Tax Related Impediments:		
A. High local property taxes		
B. Homestead tax is a detriment to business		
C. Distribution of sales tax revenues		
3. Labor Related Impediments:		
A. Inadequate number of motivated and skilled laborers		
B. Inadequate training for unmotivated and unskilled workers		
4. Government Operations Related Impediments:		
A. Lack of cooperation among local municipalities		
B. Inadequate consolidation of services		
C. Political boundaries inhibit growth		
5. Tourism Related Impediments:		
A. Inadequate support and promotion of Tourism in Fulton County		

	AGREE	DISAGRE
6. Retail Related Impediments:		
A. Inadequate support and promotion of Retail Trades in Fulton County		
7. Utility Related Impediments:		
A. High cost of water and sewer services		
B. Lack of incentives for existing businesses to expand		
C. Lack of larger employer		
D. Lack of high tech support services		

2. IDENTIFY BELOW OTHER IMPEDIMENTS IDENTIFIED ON THE MASTER LIST THAT SHOULD ALSO, IN YOUR OPINION, BE RATED AS HIGHEST PRIORITY?

A. _____

B. _____

C. _____

D. _____

3. ☐ If you would like copies of the economic statistics and data the Planning Board reviewed in identifying impediments to economic growth, please check this box and they will be mailed to you. Please provide your name and mailing address in the space below.

☐ If you would like copies of the meeting notes of the Planning Board meetings at which time they discussed the various impediments to economic growth, please check this box and they will be mailed to you. Please identify your name and mailing address in the space below.

NAME: _____

ADDRESS: _____

PLEASE USE THE FOLLOWING SPACE TO PROVIDE ANY ADDITIONAL INPUT,
COMMENTS, SUGGESTIONS OR IDEAS FOR THE PLANNING BOARD TO CONSIDER.

PLEASE RETURN THIS COMMENT SHEET BY FEBRUARY 17, 1995 TO:

Fulton County Planning Board
1 East Montgomery Street
Johnstown, NY 12095

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APPENDIX D

ANNUAL RESIDENTIAL WATER BILLS FOR SELECT MUNICIPALITIES IN NEW YORK STATE

APPENDIX D

ANNUAL RESIDENTIAL WATER BILLS
FOR SELECT MUNICIPALITIES IN NYS

MUNICIPALITY	POPULATION	ANNUAL WATER BILL*
LITTLE FALLS	5,829	\$ 558.20
ELMIRA	33,724	\$ 318.15
CLIFTON PARK	30,177	\$ 300.00
WATERTOWN	29,429	\$ 270.75
JOHNSTOWN	9,058	\$ 252.65
GLOVERSVILLE	16,656	\$ 208.36
NISKAYUNA	19,948	\$ 200.00
COLONIE	76,494	\$ 189.00
KINGSTON	23,095	\$ 183.81
FULTONVILLE	748	\$ 180.00
SCHENECTADY	65,566	\$ 167.69
ALBANY	101,082	\$ 165.76
PLATTSBURGH	21,255	\$ 162.96
JAMESTOWN	34,681	\$ 162.15
AMSTERDAM	20,714	\$ 152.00
SARATOGA	25,001	\$ 133.05
GLENS FALLS	15,023	\$ 96.40
AUBURN	31,258	\$ 94.50
HUDSON	8,034	\$ 87.96
JOHNSON CITY	16,890	\$ 78.19
FONDA	1,007	\$ 70.90
MAYFIELD	817	\$ 180.20
NORTHVILLE	1,180	\$ 95.00
BROADALBIN	1,397	\$ 253.50
ROTTERDAM	28,395	\$ 15.00

AVERAGE

\$ 184.00

* Annual cost for a typical 3 bedroom, 2 bathroom residence using 100,000 gallons per year.

APPENDIX E

CONSUMPTION CHARTS FOR GLOVERSVILLE & JOHNSTOWN

TABLE 5

	GLOVERSVILLE	JOHNSTOWN	TOTAL
Maximum Filtration Plant Output:	8.0 MGD	4.5 MGD	12.5 MGD
1994 Average Daily Consumption	2.5 MGD	1.7 MGD	4.2 MGD
Unused Capacity	5.5 MGD	2.8 MGD	8.3 MGD
% Unused Capacity	69%	62%	66%
1984 Average Daily Consumption	3.67 MGD	2.1 MGD	5.77 MGD
1994 Average Daily Consumption	2.5 MGD	1.70 MGD	4.2 MGD
CHANGE	- 1.17 MGD	- .4 MGD	- 1.57 MGD
% Change	- 32%	- 19%	- 27%

* In 1984 the annual cost of providing water to a typical 3 bedroom, 2 bathroom residence using 100,000 gallons per year in the City of Gloversville or Johnstown was approximately \$105.26.

APPENDIX F

SITE ANALYSIS FOR POTENTIAL INDUSTRIAL PARK SITES

A. BACKGROUND:

In 1985, the Fulton County Planning Board assisted in the preparation of an Economic Development Strategy for Fulton County.

That 1985 strategy suggested that the County examine the possibility of creating an industrial park in order to spur economic development efforts. Consequently, the County Planning Board identified a list of potential industrial park sites within the Cities of Gloversville and Johnstown and the surrounding Town of Johnstown. Three of the sites that were identified in that 1985 strategy have since been developed into two (2) industrial parks.

The Crossroads Industrial Park is approximately fifty-five (55) acres in size. There were originally fifteen (15) building lots within this park. However, today, there are only three (3) lots remaining with a total size of approximately twelve (12) acres. The Crossroads Industrial Park is home to the Spalding Golf Ball and Golf Club manufacturing facilities as well as Pioneer Windows, Swany, Inc., and Transworld Fixtures.

The Johnstown Industrial Park has approximately one hundred twenty (120) acres of usable industrial land divided into twenty-two (22) building lots. Approximately two-thirds of this Park has been developed and is home to tenants such as Walmart, Electrometrics, Ozark Electronics, Benjamin Moore, Kramer Chemical, Lumex, Coast Distribution, and Telecon.

On Thursday, May 4, 1995, the Fulton County Planning Board issued its final report identifying impediments to economic growth in Fulton County. This report serves as a basis for preparing a new Economic Development Strategy for Fulton County. The report identified the lack of serviced industrial sites as an impediment to economic growth in Fulton County in the near future.

Consequently, the Fulton County Planning Department has reexamined the 1985 Industrial Park Site Analysis and added several sites to the list that was compiled for the original study. The list below identifies the sites that were analyzed by the County Planning Department and offers a short list of development impediments for each site.

B. POTENTIAL SITE ANALYSIS:

SITE 1 (North side of West Street, City of Gloversville)

- * Poor access
- * Some difficult topography
- * Property not zoned for industrial uses

SITE 2 (Gloversville High School Property)

- * Poor site access
- * Site to be used for new middle school

SITE 3 & 3A (South Kingsboro Avenue Sites)

- * Some difficult topography on both sites
- * Properties not zoned for industrial uses
- * Limited acreage available for development

SITE 4 (Crossroads Industrial Park)

- * Site has already been developed for an industrial park

SITE 5 (South side of County Road 107)

- * Property is not zoned for industrial uses
- * There has been some residential development along this stretch of road in recent years
- * Infrastructure would need to be extended a significant distance to service the site.

SITE 6 (East side of NYS Route 30A)

- * Some difficult topography on the project site
- * Power lines run through the norther portion of the property

SITE 7 (Johnstown Industrial Park Site)

- * Majority of the property has already been developed as an industrial park

SITE 8 (North side of Union Avenue)

- * Majority of the property has already been developed as an industrial park

SITE 9 (South side of County Road 334)

- * Some difficult topography on site
- * Property not zoned for industrial uses
- * Access to site is poor

SITE 10 (North side of NYS Route 67 west)

- * Property not zoned for industrial uses
- * Residential subdivision has conditional approval from Town of Johnstown Planning Board

SITE 11 (North side of NYS Route 67 west of County Road 156)

- * Access to site is poor
- * Infrastructure would need to be extended a substantial distance to service the site

SITE 12 (County Airport property)

- * Property not zoned for industrial uses
- * Infrastructure would need to be extended for a significant distance to service the site
- * Limited amount of acreage is available for development

SITE 13 (Ashler Road Site)

- * Some difficult topography on the site
- * Ashler Road would need to be substantially upgraded

SITE 14 (North side of NYS Route 67 west of FMCC)

- * Infrastructure would need to be extended a significant distance to service the site
- * There is a power line running through the middle of the site
- * There is a wetland within the site

C. THREE POTENTIAL SITES:

Based on this analysis of potential industrial park sites, the Fulton County Planning Department has taken a closer look at Site Nos. 6, 13, & 14.

Site 6:

Site 6 is located along the east side of Route 30A directly opposite the entrance to the Johnstown Industrial Park. There are five (5) tax map parcels which make up this potential industrial park site totaling 95.6 acres. As noted in the analysis above, there is some difficult topography on the project site along with two (2) small ponds that would need to be drained or avoided. There also appears to be a federally regulated wetland within the project site. Additionally, there are power lines running through the northern portion of the property and along the eastern boundary of this potential site. The majority of the properties that make up this potential site are vacant or being used for some farming practice. Nevertheless, this potential site is located directly opposite the Johnstown Industrial Park with excellent access to the New York State Thruway. There is also water and sewer available in the immediate vicinity of this site.

Site 13:

Site 13 is located on both sides of Ashler Road in the Town of Johnstown. The site is made up of seven (7) parcels totaling approximately 445.7 acres. There is some very difficult topography in parts of this potential site. There are also two (2) DEC regulated wetlands located along the western border of this potential site. If this site was to be developed, a substantial amount of road work would need to be done to Ashler Road since it primarily serves as a farm road. The majority of the properties that make up this potential site are currently being used for farming activities. However, there are water and sewer lines running a very short distance from this potential site and the properties are easily accessed off of NYS Route 29.

Site 14:

Site 14 is located along the north side of NYS Route 67 just west of the Fulton-Montgomery Community College. There are ten (10) parcels totaling approximately 323.7 acres that make up this potential site. However, there is a DEC regulated wetland within the middle of the site along with a Niagara Mohawk power line that would more than likely necessitate dividing the park into two phases. This site is also a significant distance from any public infrastructure and consequently a substantial amount of money would need to be spent up front in order to bring public services to this potential site. The majority of the site is currently being used for farming practices. A small portion of the site is also owned by the Fulton-Montgomery Community College.

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APPENDIX G

PROPERTY TAX

AND

ASSESSMENT TABLES

**ESTIMATED MEDIAN RESIDENTIAL PROPERTY
TAX BILLS IN NEW YORK CITIES: 1990 ASSESSMENT ROLL**

TABLE 1

RANK	CITY	MEDIAN SALE PRICE	ESTIMATED ¹ RESIDENTIAL TAX BILL USING MEDIAN PRICE
1	OSWEGO	\$ 57,375	\$ 670
2	BUFFALO*	\$ 44,000	\$ 856
3	HORNELL	\$ 31,000	\$ 954
4	LITTLE FALLS	\$ 37,000	\$ 991
5	OGDENSBURG	\$ 27,456	\$ 995
6	FULTON	\$ 50,000	\$ 1,058
7	OLEAN	\$ 36,000	\$ 1,146
8	LACKAWANNA*	\$ 61,250	\$ 1,203
9	GLOVERSVILLE*	\$ 37,500	\$ 1,204
10	RENSSELAER	\$ 62,500	\$ 1,268
11	DUNKIRK	\$ 35,000	\$ 1,282
12	ROCHESTER*	\$ 59,000	\$ 1,295
13	NIAGARA FALLS*	\$ 45,000	\$ 1,305
14	JAMESTOWN	\$ 37,500	\$ 1,335
15	CORNING	\$ 56,000	\$ 1,339
16	ELMIRA	\$ 36,250	\$ 1,362
17	SYRACUSE	\$ 60,427	\$ 1,385
18	UTICA	\$ 50,125	\$ 1,407
19	JOHNSTOWN*	\$ 45,500	\$ 1,418
20	NEW YORK CITY	\$ 167,310	\$ 1,483
21	GLENS FALLS	\$ 77,500	\$ 1,508
22	MECHANICVILLE	\$ 70,000	\$ 1,531

23	WATERVLIET	\$ 75,000	\$ 1,546
24	GENEVA	\$ 56,850	\$ 1,560
25	LOCKPORT	\$ 58,000	\$ 1,575
26	AMSTERDAM	\$ 59,250	\$ 1,611
27	ONEONTA	\$ 66,000	\$ 1,622
28	ALBANY	\$ 94,400	\$ 1,629
29	SCHENECTADY	\$ 76,500	\$ 1,643
30	WATERTOWN	\$ 58,000	\$ 1,647
31	SARATOGA SPRINGS	\$ 109,250	\$ 1,672
32	CORTLAND	\$ 65,000	\$ 1,707
33	CANANDAIGUA*	\$ 80,000	\$ 1,745
34	PORT JERVIS*	\$ 78,000	\$ 1,750
35	BINGHAMTON	\$ 62,000	\$ 1,758
36	N. TONAWANDA*	\$ 70,450	\$ 1,785
37	TONAWANDA	\$ 65,000	\$ 1,788
38	AUBURN	\$ 52,900	\$ 1,833
39	KINGSTON*	\$ 86,000	\$ 1,841
40	NEWBURGH*	\$ 86,900	\$ 1,846
41	MIDDLETOWN	\$ 101,163	\$ 1,892
42	TROY	\$ 78,100	\$ 1,913
43	COHOES	\$ 80,000	\$ 1,932
44	NORWICH	\$ 70,000	\$ 1,981
45	BATAVIA	\$ 63,000	\$ 1,983
46	ROME	\$ 111,450	\$ 2,071
47	ONEIDA	\$ 81,500	\$ 2,078
48	BEACON*	\$ 115,000	\$ 2,154
49	PLATTSBURGH	\$ 81,500	\$ 2,184
50	POUGHKEEPSIE	\$ 115,000	\$ 2,202
51	ITHACA	\$ 94,000	\$ 2,224
52	LONG BEACH	\$ 170,000	\$ 2,251
53	PEEKSKILL	\$ 140,187	\$ 2,539
54	WHITE PLAINS	\$ 255,000	\$ 2,918

55	MT. VERNON	\$ 197,500	\$ 3,161
56	YONKERS	\$ 210,000	\$ 3,194
57	GLEN COVE	\$ 205,000	\$ 3,591
58	NEW ROCHELLE	\$ 264,500	\$ 4,543
59	RYE	\$ 425,000	\$ 7,095
AVERAGE		\$ 89,468	\$ 1,855
MEDIANS		\$ 66,000	\$ 1,745

* Cities with homestead class tax rates

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COMPARISON OF TOTAL TAX BILL ON A \$100,000 HOME
IN SELECTED CITIES IN NEW YORK STATE

1990

TABLE 2

RANK	CITY	RESIDENT. VALUE	ESTIMATED TAX BILL	MEDIAN TAX BILL RANK (FROM TABLE 1)
1	NEW YORK CITY	\$100,000	\$ 886	20
2	WHITE PLAINS	\$100,000	\$ 1,144	54
3	OSWEGO	\$100,000	\$ 1,168	1
4	LONG BEACH	\$100,000	\$ 1,324	52
5	YONKERS	\$100,000	\$ 1,521	56
6	SARATOGA SPRINGS	\$100,000	\$ 1,530	31
7	MT. VERNON	\$100,000	\$ 1,600	55
8	RYE*	\$100,000	\$ 1,669	59
9	NEW ROCHELLE	\$100,000	\$ 1,717	58
10	ALBANY	\$100,000	\$ 1,726	28
11	GLEN COVE	\$100,000	\$ 1,752	57
12	PEEKSKILL*	\$100,000	\$ 1,811	53
13	MIDDLETOWN	\$100,000	\$ 1,870	41
14	POUGHKEEPSIE	\$100,000	\$ 1,914	50
15	BEACON**	\$100,000	\$ 1,932	48
16	BUFFALO**	\$100,000	\$ 1,946	2
17	GLENS FALLS	\$100,000	\$ 1,946	21
18	LACKAWANNA**	\$100,000	\$ 1,963	8
19	RENSSELAER	\$100,000	\$ 2,029	10
20	WATERVLIET	\$100,000	\$ 2,061	23
21	FULTON	\$100,000	\$ 2,116	6
22	NEWBURGH**	\$100,000	\$ 2,124	40
23	KINGSTON**	\$100,000	\$ 2,140	39
24	SCHENECTADY	\$100,000	\$ 2,148	29
25	ROCHESTER**	\$100,000	\$ 2,162	12

26	CANANDAIGUA**	\$100,000	\$ 2,182	33
27	MECHANICVILLE	\$100,000	\$ 2,188	22
28	PORT JERVIS**	\$100,000	\$ 2,244	34
29	SYRACUSE	\$100,000	\$ 2,292	17
30	ITHACA	\$100,000	\$ 2,366	51
31	CORNING	\$100,000	\$ 2,390	15
32	COHOES	\$100,000	\$ 2,415	43
33	TROY	\$100,000	\$ 2,450	42
34	ONEONTA	\$100,000	\$ 2,457	27
35	N. TONAWANDA**	\$100,000	\$ 2,534	36
36	CORTLAND	\$100,000	\$ 2,626	32
37	LITTLE FALLS	\$100,000	\$ 2,680	4
38	PLATTSBURGH	\$100,000	\$ 2,680	49
39	LOCKPORT	\$100,000	\$ 2,715	25
40	AMSTERDAM	\$100,000	\$ 2,718	26
41	GENEVA	\$100,000	\$ 2,745	24
42	TONAWANDA	\$100,000	\$ 2,751	37
43	UTICA	\$100,000	\$ 2,806	18
44	NORWICH	\$100,000	\$ 2,830	44
45	BINGHAMTON	\$100,000	\$ 2,835	35
46	WATERTOWN	\$100,000	\$ 2,839	30
47	NIAGARA FALLS**	\$100,000	\$ 2,899	13
48	ROME	\$100,000	\$ 2,958	46
49	HORNELL	\$100,000	\$ 3,078	3
50	JOHNSTOWN**	\$100,000	\$ 3,117	19
51	BATAVIA	\$100,000	\$ 3,143	45
52	OLEAN	\$100,000	\$ 3,185	7
53	GLOVERSVILLE**	\$100,000	\$ 3,212	9

54	ONEIDA	\$100,000	\$ 3,299	47
55	AUBURN	\$100,000	\$ 3,466	38
56	JAMESTOWN	\$100,000	\$ 3,559	14
57	OGDENSBURG	\$100,000	\$ 3,625	5
58	DUNKIRK	\$100,000	\$ 3,663	11
59	ELMIRA	\$100,000	\$ 3,756	16
AVER.			\$ 2,388	

* All residential sales reviewed indicated a sale price exceeding \$100,000 in these cities.

** Cities with homestead class tax rates.

c:\taxtab2

COMPARISON OF TAX BILL ON \$50,000 HOME
IN FULTON COUNTY MUNICIPALITIES

TABLE 3
1995

RANK	CITY/TOWN	ASSESSED VALUE	EST. TAX BILL ¹
1	GLOVERSVILLE (C)	\$ 50,000	\$ 2,327.18
2	JOHNSTOWN (C)	\$ 50,000	\$ 2,161.41
3	STRATFORD	\$ 50,000	\$ 1,833.87
4	JOHNSTOWN (T)	\$ 50,000	\$ 1,792.98
5	BLEEKER	\$ 50,000	\$ 1,746.59
6	OPPENHEIM	\$ 50,000	\$ 1,727.29
7	CAROGA	\$ 50,000	\$ 1,640.96
8	MAYFIELD	\$ 50,000	\$ 1,582.50
9	EPHRATAH	\$ 50,000	\$ 1,550.10
10	NORTHAMPTON	\$ 50,000	\$ 1,309.42
11	BROADALBIN	\$ 50,000	\$ 1,198.80
12	PERTH	\$ 50,000	\$ 1,183.60

¹ Includes School, County, CityTown taxes and in some cases fire district, lighting district, and Special Levy Taxes.

IMPACT OF TOTAL ASSESSED VALUE ON LOCAL TAX BILLS

TABLE 4

DATE	TOTAL COUN. BUDGET	COUNTY TAX LEVY	TOTAL ASS. VALUE IN COUNTY	AVERAGE CO. TAX RATE
1985	30,203,049	8,341,028	92,074,500	\$ 90.59/1000
1986	33,670,080	9,240,590	93,003,443	\$ 99.36/1000
1987	34,126,065	9,023,524	96,115,763	\$ 93.88/1000
1988	35,081,295	10,303,612	104,814,997	\$ 98.30/1000
1989	39,381,019	12,222,148	108,407,599	\$112.74/1000
1990	44,951,269	13,350,803	109,366,890	\$122.07/1000
FIRST YEAR OF REVALUATION				
1991	49,993,882	15,180,351	1,589,240,949	\$ 9.55/1000
1992	54,151,030	17,087,889	1,579,011,227	\$ 10.82/1000
1993	57,954,766	18,243,753	1,578,037,734	\$ 11.56/1000
1994	61,284,270	19,091,499	1,588,474,277	\$ 12.02/1000
1985 -90	+ (48.8%) 14,748,220	+ (60.1%) 5,009,775	+ (18.8%) 17,292,390	+ (34%) \$ 31.48/1000
CHANGE NEEDED IN TOTAL ASSESSMENT TO KEEP 1990 TAX RATES AT 1985 LEVEL				
			+ 55,301,623	
1991 -94	+ (22.6%) 11,290,388	+ (25.8%) 3,911,148	(0) - 776,672	+ (25.9%) \$ 2.47/1000
CHANGE NEEDED IN TOTAL ASSESSMENT TO KEEP TAX RATE IN 1994 AT 1991 LEVEL				
			+ 409,868,894	
	ACTUAL CHANGE 1991-1994		- 776,672	

A:\TAXTABLE

IMPACT OF SALES TAX REVENUES ON LOCAL TAX BILLS

TABLE 5

YEAR	TOTAL BUDGET	TAX LEVY (%)	SALES TAX REVENUES (%)
1985	30,203,049	8,341,028 (28)	2,900,000 (10)
1986	33,670,080	9,240,590 (27)	3,300,000 (10)
1987	34,126,065	9,023,524 (26)	3,500,000 (10)
1988	35,081,295	10,303,612 (29)	3,800,000 (11)
1989	39,381,019	12,222,148 (31)	3,700,000 (09)
1990	44,951,269	13,350,803 (30)	4,300,000 (10)
1991	49,993,882	15,180,351 (30)	3,800,000 (08)
1992	54,151,030	17,087,889 (32)	4,300,000 (08)
1993	57,954,766	18,243,753 (31)	4,700,000 (08)
1994	61,285,270	19,091,499 (31)	5,454,135 (09)
85-94	+ 31,082,221	+10,750,471	\$ 2,554,135
% CHAN	103%	129%	+88%
SALES TAX REVENUES NEEDED TO MAINTAIN 1985 TAX LEVY			+ 16,204,606
SALES TAX REVENUE SHORTFALL IN 1994			+ 10,750,471
1994 LOCAL SALES			\$ 363,609,000
LOCAL SALES NEEDED IN 1994			\$1,080,307,607
AMOUNT OF INCREASED SALES NEEDED IN 1994 TO GENERATE THE ADDITIONAL SALES TAX REVENUES NEEDED TO KEEP TAX RATES AT 1985 LEVELS			+\$ 716,698,067
1994 SALES/RESIDENT			\$ 6,710
LOCAL SALES NEEDED/RESIDENT IN 1994			\$ 19,935

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APPENDIX H

LOCAL GOVERNMENTS IN NEW YORK STATE COUNTIES

COUNTY	POPULA.	TOWNS	CITYS	VILL	TOTAL	RANK
MONROE	713,968	20	1	10	31	18
ONONDAGA	468,973	19	1	15	35	21
FULTON	54,191	10	2	4	16	7
CHAUTAUQUA	141,895	27	2	15	44	25
CHEMUNG	95,195	11	1	5	17	8
LIVINGSON	62,372	17	0	9	26	16
WAYNE	89,123	15	0	9	24	14
WESTCHESTER	874,866	19	6	23	48	27
CHENANGO	51,768	21	1	8	30	17
GENESEE	60,060	13	1	7	21	11
LEWIS	26,796	17	0	9	26	16
MONTGOMERY	51,981	10	1	10	21	11
NIAGARA	220,756	12	3	5	20	10
RENSSELAER	154,429	14	2	5	21	11
WYOMING	42,507	16	0	9	25	15
MADISON	69,120	15	1	10	26	16
BROOME	212,160	16	1	7	24	14
CAYUGA	82,313	23	1	9	33	19
DELAWARE	47,225	19	0	11	30	17
JEFFERSON	110,943	22	1	20	43	24
STEUBEN	99,088	32	2	14	48	27
COLUMBIA	62,982	18	1	4	23	13
CORTLAND	48,963	15	1	3	19	9
ORLEANS	41,846	10	0	4	14	5
ST. LAWRENCE	111,974	32	1	13	46	26
SCHENECTADY	149,285	5	1	2	8	1
SCHOHARIE	31,859	16	0	6	22	12
SCHUYLER	18,662	8	0	4	12	4
SULLIVAN	69,277	15	0	6	21	11
TIOGA	52,337	9	0	6	15	6
TOMPKINS	94,097	9	1	6	16	7

WASHINGTON	59,330	17	0	9	26	16
CATTARAUGUS	84,234	32	2	14	48	27
HERKIMER	65,797	19	1	10	30	17
ONEIDA	250,836	26	3	19	48	27
ONTARIO	95,101	16	2	8	26	16
ERIE	968,532	25	3	16	44	25
ALBANY	292,594	10	3	6	19	9
ORANGE	307,647	20	3	17	40	22
CLINTON	85,969	14	1	5	20	10
ROCKLAND	265,475	5	0	19	24	14
SARATOGA	181,276	19	2	9	30	17
YATES	22,810	9	0	4	13	4
WARREN	59,209	11	1	1	13	4
HAMILTON	5,279	9	0	1	10	3
OTSEGO	60,517	24	1	10	35	21
ALLEGANY	50,470	29	0	12	41	23
GREENE	44,739	14	0	5	19	9
FRANKLIN	46,540	19	0	6	25	15
ULSTER	165,304	20	1	3	24	14
NASSAU	1,287,348	3	2	64	69	28
ESSEX	37,152	18	0	4	22	12
PUTNAM	83,941	6	0	3	9	2
DUTCHESS	259,462	20	2	8	30	17
SENECA	33,683	10	0	5	15	6
SUFFOLK	1,321,864	10	0	30	40	22
OSWEGO	121,771	22	2	10	34	20
STATE AVER.		16.35	1.07	9.93	27.35	

COUNTY	POPULATION	TOTAL GVT.	GVTS. / 1,000	RANK
ALBANY	292,594	19	.64	37
ALLEGANY	50,470	41	.81	39
BROOME	212,160	24	.11	6
CATTARAUGUS	84,234	48	.57	34
CAYUGA	82,313	33	.40	26
CHAUTAUQUA	141,895	44	.31	20
CHEMUNG	95,195	17	.18	12
CHENANGO	51,768	30	.58	35
CLINTON	85,969	20	.23	15
COLUMBIA	62,982	23	.37	23
CORTLAND	48,963	19	.39	25
DELAWARE	47,225	30	.64	37
DUTCHESS	259,462	30	.12	7
ERIE	968,532	44	.05	3
ESSEX	37,152	22	.59	36
FRANKLIN	46,540	25	.54	33
FULTON	54,191	16	.30	19
GENESEE	60,060	21	.35	22
GREENE	44,739	19	.42	28
HAMILTON	5,279	10	1.89	41
HERKIMER	65,797	30	.46	31
JEFFERSON	110,943	43	.39	25
LEWIS	26,796	26	.97	40
LIVINGSTON	62,372	26	.42	28
MADISON	69,120	26	.38	24
MONROE	713,968	31	.04	2
MONTGOMERY	51,981	21	.40	26
NASSAU	1,287,348	69	.05	3
NIAGARA	220,756	20	.09	5
ONEIDA	250,836	48	.19	13

ONONDAGA	468,973	35	.07	4
ONTARIO	95,101	26	.27	16
ORANGE	307,647	40	.13	8
ORLEANS	41,846	14	.33	21
OSWEGO	121,771	34	.28	17
OTSEGO	60,517	35	.58	35
PUTNAM	83,941	9	.11	6
RENSSELAER	154,429	21	.14	9
ROCKLAND	265,475	24	.09	5
ST. LAWRENCE	111,974	46	.41	27
SARATOGA	181,276	30	.17	11
SCHENECTADY	149,285	8	.05	3
SCHOHARIE	31,859	22	.69	38
SCHUYLER	18,662	12	.64	37
SENECA	33,683	15	.45	30
STEUBEN	99,088	48	.48	32
SUFFOLK	1,321,864	40	.03	1
SULLIVAN	69,277	21	.30	19
TIOGA	52,337	15	.29	18
TOMPKINS	94,097	16	.17	11
ULSTER	165,304	24	.15	10
WARREN	59,209	13	.22	14
WASHINGTON	59,330	26	.44	29
WAYNE	89,123	24	.27	16
WESTCHESTER	874,866	48	.05	3
WYOMING	42,507	25	.59	36
YATES	22,810	13	.57	34
STATE AVER.			.37	

COUNTY	SIZE	TOT GVT.	GVT/SQ MILE	RANK
ALBANY	523.8	19	.036	13
ALLEGANY	1030.3	41	.040	17
BROOME	706.9	24	.034	11
CATTARAUGUS	1309.9	48	.037	14
CAYUGA	693.3	33	.048	25
CHAUTAUQUA	1062.1	44	.041	18
CHEMUNG	408.2	17	.042	19
CHENANGO	894.4	30	.034	11
CLINTON	1039.4	20	.019	5
COLUMBIA	635.8	23	.036	13
CORTLAND	499.7	19	.038	15
DELAWARE	1446.4	30	.021	7
DUTCHESS	801.7	30	.037	14
ERIE	1044.7	44	.042	19
ESSEX	1797.0	22	.012	2
FRANKLIN	1631.6	25	.015	3
FULTON	496.2	16	.032	10
GENESEE	494.1	21	.043	20
GREENE	647.9	19	.029	8
HAMILTON	1720.7	10	.006	1
HERKIMER	1411.8	30	.021	7
JEFFERSON	1272.3	43	.034	11
LEWIS	1275.6	26	.020	6
LIVINGSTON	632.2	26	.041	18
MADISON	655.9	26	.040	17
MONROE	659.3	31	.047	24
MONTGOMERY	404.8	21	.052	27
NASSAU	286.8	69	.240	30
NIAGARA	523.0	20	.038	15
ONEIDA	1212.8	48	.040	17

ONONDAGA	780.3	35	.045	22
ONTARIO	644.4	26	.040	17
ORANGE	816.4	40	.049	26
ORLEANS	391.4	14	.036	13
OSWEGO	953.3	34	.036	13
OTSEGO	1002.9	35	.035	12
PUTNAM	231.5	9	.039	16
RENSSELAER	654.0	21	.032	10
ROCKLAND	174.2	24	.138	29
ST. LAWRENCE	2685.7	46	.017	4
SARATOGA	811.9	30	.037	14
SCHENECTADY	206.1	8	.039	16
SCHOHARIE	621.8	22	.035	12
SCHUYLER	328.7	12	.037	14
SENECA	324.9	15	.046	23
STEUBEN	1392.7	48	.034	11
SUFFOLK	911.2	40	.044	21
SULLIVAN	969.8	21	.021	7
TIOGA	518.7	15	.029	8
TOMPKINS	476.1	16	.034	11
ULSTER	1126.6	24	.021	7
WARREN	869.7	13	.015	3
WASHINGTON	835.5	26	.031	9
WAYNE	604.2	24	.040	17
WESTCHESTER	432.9	48	.111	28
WYOMING	593.0	25	.042	19
YATES	338.2	13	.038	15
STATE AVER.			.041	

COUNTY	POPU/GOVERNMENT	RANK
SUFFOLK	33,047	1
MONROE	23,031	2
ERIE	22,012	3
SCHENECTADY	18,661	4
NASSAU	18,657	5
WESTCHESTER	18,226	6
ALBANY	15,400	7
ONONDAGA	13,399	8
ROCKLAND	11,061	9
NIAGARA	11,038	10
PUTNAM	9,327	11
BROOME	8,840	12
DUTCHESS	8,649	13
ORANGE	7,691	14
RENSSELAER	7,354	15
ULSTER	6,888	16
SARATOGA	6,043	17
TOMPKINS	5,881	18
CHEMUNG	5,600	19
ONEIDA	5,226	20
WARREN	4,555	21
CLINTON	4,298	22
WAYNE	3,713	23
ONTARIO	3,658	24
OSWEGO	3,582	25
TIOGA	3,489	26
FULTON	3,387	27
SULLIVAN	3,299	28
CHAUTAUQUA	3,225	29
ORLEANS	2,989	30
GENESEE	2,860	31

COLUMBIA	2,738	32
MADISON	2,658	33
JEFFERSON	2,580	34
CORTLAND	2,577	35
CAYUGA	2,494	36
MONTGOMERY	2,475	37
ST. LAWRENCE	2,434	38
LIVINGSTON	2,399	39
GREENE	2,355	40
WASHINGTON	2,282	41
SENECA	2,246	42
HERKIMER	2,193	43
STEUBEN	2,064	44
FRANKLIN	1,862	45
CATTARAUGUS	1,755	46
YATES	1,755	47
OTSEGO	1,729	48
CHENANGO	1,726	49
WYOMING	1,700	50
ESSEX	1,689	51
DELAWARE	1,574	52
SCHUYLER	1,555	53
SCHOHARIE	1,448	54
ALLEGANY	1,231	55
LEWIS	1,031	56
HAMILTON	528	57

APPENDIX I

RECOMMENDATIONS FROM THE COMMITTEE ON CONSOLIDATION OF SERVICES

1. HIGHWAY DEPARTMENT:

- A. The Subcommittee recommends that the existing Fulton County Committee of Highway Superintendents be formally charged with providing specific recommendations for the development of intermunicipal agreements for:
 - 1. equipment sharing and purchasing;
 - 2. equipment maintenance;
 - 3. paving and scheduled road maintenance;
 - 4. creating a uniform standard of accounting formats and practices for reports, budgets, etc.;
 - 5. any other area suggested by the Committee.
- B. The Subcommittee recommends that all Highway Departments share in the use and maintenance of their equipment as much as possible:
- C. The Subcommittee recommends that municipalities share in the purchasing of some equipment which, though useful, may be too costly for one municipality to buy alone:
- D. The Subcommittee recommends that an application be filed with the State of New York to obtain funds to do a comprehensive study on ways local highway departments can cooperate more in the delivery of services and purchasing of equipment:

2. CODE ENFORCEMENT:

- A. The Subcommittee recommends that all local code enforcement responsibilities be consolidated into one program administered at the County level:

3. PURCHASING:

- A. The Subcommittee recommends that Fulton county, City of Johnstown, City of Gloversville and the Town of Johnstown jointly establish a county-wide Purchasing Council:
- B. The Subcommittee recommends that the County create the position of full-time County Purchasing Agent:

4. HEALTH & LIABILITY INSURANCE:

- A. The Subcommittee recommends that the two Cities, Towns and Fulton County conduct a feasibility study on either a cooperative fully insured health program, or a cooperative "split funded" health insurance program:

5. WATER SERVICE:

- A. The Subcommittee recommends that the Village of Northville and Town of Northampton discuss construction of a filter plant by the Village and sale of water to

B. Police Services:

1. The Subcommittee recommends that the two Cities evaluate consolidating their Police Departments:
2. The Mayors of Gloversville and Johnstown should jointly contact and request that the Division of Criminal Justice Services conduct this comprehensive assessment of the two City's policy departments:

C. Fire Services:

1. The Subcommittee recommends that the two Cities, in conjunction with the Fulton County Board of Supervisors' conduct a study under the auspices of the Office of the County Fire Coordinator to assess the status of the County's present and future fire service:
2. The Subcommittee recommends that increased efforts be made to encourage greater voluntary functional consolidation whenever possible:
3. The Subcommittee recommends that a study be conducted to analyze the financing of fire services throughout the County to determine whether a more stable, more reliable and more equitable method of funding these services might be found:

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Appendix C:

2001 Hiscock & Barclay Legal Opinion Regarding the ability for the City of Johnstown or the City of Gloversville to enter into an Agreement with a Town / Village or other Municipality within Fulton County to extend Water and Sewer Services into a Town.

MEMORANDUM

**CONFIDENTIAL COMMUNICATION
ATTORNEY CLIENT PRIVILEGE/
ATTORNEY WORK PRODUCT**

TO: James E. Mraz, Director
County of Fulton Planning Department

FROM: Hiscock & Barclay, LLP

DATE: September 27, 2001

RE: Proposed Countywide Intermunicipal Agreement for Water and Sewer Service
Extensions from the Cities of Johnstown and Gloversville to Other Municipalities

QUESTION PRESENTED:

*Whether the Cities of Johnstown and Gloversville can enter into
an Agreement with a Town/Village and other municipalities
located within Fulton County to extend water and sewer services
into a Town?*

CONCLUSION:

There are various options that would permit the Cities of Johnstown and Gloversville to enter into an Intermunicipal Agreement with a Town or Village to extend water and sewer services into their jurisdictions.

DISCUSSION:

Cities, villages, counties acting on behalf of improvement districts, and Towns acting on behalf of improvements districts are authorized to enter into contracts and to incur indebtedness for the purpose of extending water and sewer service from one municipality into another, either as part of a cooperative agreement for joint service, or pursuant to an intermunicipal agreement to sell excess water or sewer capacity. Article VIII, §1 of the New York State Constitution authorizes:

. . . two or more [cities, towns and villages to] join together . . . in providing any municipal facility, service, activity or undertaking which each of such units has the power to provide separately. Each such unit may be authorized . . . to contract joint or several indebtedness, pledge its or their faith and credit for the payment of such indebtedness . . . and levy real estate or other authorized taxes or impose charges therefor subject to the provisions of this constitution otherwise restricting the power of such units to contract indebtedness or to levy taxes on real estate. . .

Article VIII further provides:

. . . The legislature shall have power to provide by law for the manner and the proportion in which indebtedness arising out of such joint undertakings shall be incurred by such units and shall have power to provide a method by which such indebtedness shall be determined, allocated and apportioned among such units. . .

The constitutional authority to provide water and sewerage services as a joint enterprise is implemented through General Municipal Law Articles 5-B, 5-D and 5-G. Pursuant to General Municipal Law Article 5-B municipalities may enter into cooperative agreements to provide a common water supply and to develop, operate and maintain such joint waterworks. General Municipal Law Article 5-D similarly authorizes two or more municipalities to enter into cooperative agreements for the common conveyance, treatment and disposal of sewage.

General Municipal Law Article 5-G outlines the terms of cooperative agreements made pursuant to Articles 5-B and 5-D, and provides municipalities broad authority to act cooperatively. However, and fundamentally, a municipal corporation may participate in a cooperation agreement only for the performance of those functions for which it is empowered to perform individually. *See* General Municipal Law 119-n[c], 119-o[1]; Ops. State Compt. 96-19 and 95-7. Thus, before municipalities can agree to act cooperatively, each must determine that both have the independent authority to perform the act or function on its own. Provided this factor applies, Article 5-G permits municipal corporations and districts, in addition to any other general or special powers, to enter into agreements for the performance among themselves, or one for the other, of their respective functions, powers and duties on a cooperative or contract basis, or for the provision of a joint service. *See* General Municipal Law 119-o[1]; Ops State Compt. 98-21 and 95-7.

In addition to providing services as a joint enterprise, cities, villages, counties and towns are also authorized to develop and sell excess water and sewerage capacity to other public corporations. Such municipalities may enter into contracts, other than cooperative agreements,

James E. Mraz, Director
September 27, 2001
Page 3

and incur indebtedness to extend water and sewer services through contracts for the purchase of any excess capacity of a municipality. NYS Constitution Article VIII § 2-a; Gen Mun Law Articles 5-C, 5-D, and 6.

Article VIII §2-a of the New York State Constitution provides:

. . . two or more [city, town, village] units [may] join together pursuant to law in providing any municipal facility, service, activity or undertaking which each of such units has the power to provide separately. Each such unit may be authorized by the legislature to contract joint or several indebtedness, . . . and levy real estate or other authorized taxes or impose charges . . . provided that in no event shall more than the total amount of indebtedness incurred for such joint undertaking be included in ascertaining the power of all such participating units to incur indebtedness.

Provisions of the General Municipal Law implement this constitutional power by authorizing such municipalities to provide for the development of a supply of water in excess of their own needs, for the purpose of sale to a public corporation or improvement district, and to contract indebtedness for such purpose. Gen Mun Law § 118. Municipalities authorized to develop a supply of water are empowered to enter into contracts for a term up to 40 years, which may provide for the establishment and revision of water charges, adjudication of claims, and application of conservation methods by the seller when necessary. Gen Mun Law § 118-a.

COMMON WATER SUPPLY

Two or more public corporations and improvement districts¹ may provide a common supply of water and contract joint indebtedness or separately contract indebtedness for identified proportions of the cost. NYS Constitution Article VIII §§ 1 and 2-a; Gen Mun Law Article 5-B. Cities are specifically authorized by the General Municipal Law to sell all or any part of their water supply and distribution system to a water authority, a water district or a joint waterworks system established under General Municipal Law Article 5-B.² See Gen Mun Law §§ 110-117. The General Municipal Law further authorizes villages and towns to establish a joint water

¹ General Municipal Law Article 5-B defines public corporations to include a city, a village, a county acting on behalf of a county water distribution district, and a town acting on behalf of a water district or water storage and distribution district. Gen Mun Law § 110.

² "Joint Service" is defined as: "the joint provision of any municipal facility, service, activity, project or undertaking, or the joint provision of any municipal facility, service, activity, project or undertaking, or the joint performance or exercise of any function or power which each municipality has the power to provide, perform or exercise separately." See Ops. State Compt. 88-12 and 96-19; General Municipal Law 119-o[1].

district and to enter into a contract on behalf of the joint water district with any water company, or other party, including cities, to supply water to towns and villages. Gen Mun Law § 120-t.

Management and operation of a joint waterworks system is governed by General Municipal Law § 113. Common water supplies may be managed and operated by a joint operating agency, one of the contracting municipalities or pursuant to a contract with a public authority. Gen Mun Law § 113. Although one or more of the contracting municipalities may acquire and develop the common water supply, title to both real and personal property of the common water supply must be held jointly in the name of all contracting municipalities. Gen Mun Law § 112.

Costs of a common water supply may be financed either by the issuance and sale of joint obligations or by individual issuance and sale of obligations to finance the proportionate share of each contracting municipality, as fixed by the intermunicipal agreement. Gen Mun Law § 114.

Article 5-B does not restrict the purchase or condemnation of existing water supply sources, waterworks systems or portions thereof, so long as they are necessary for the joint water project. Gen Mun Law § 114. If one of the contracting municipalities acquires and develops the common water supply, other contracting municipalities may make a lump sum payment to the developer municipality either from available monies on hand or from the sale of obligations. Gen Mun Law § 114. If the existing system is owned by one of the municipal parties to the agreement, a credit to such municipality may be allowed against its share of the costs of the common water supply or joint waterworks system. Gen Mun Law § 114.

Water must be sold in bulk to the contracting municipalities. Rates are to be fixed such that revenue is at least equal to all estimated annual costs of operating and maintaining the common water system, plus debt service on all obligations issued for purposes of the common supply, without regard to whether the debt service is joint or individual. Gen Mun Law § 115. If costs exceed revenues in any one year, the excess cost may be apportioned among the contracting municipalities and shall be assessed by each municipality against real property within its boundaries. Gen Mun Law § 115.

Municipalities entering into an intermunicipal agreement for a common water supply must follow the same procedural steps to participate in the joint project as would be followed if it were developing a water supply independently. Gen Mun Law § 116. In the event other municipalities subsequently enter into a contract to participate in the joint project, lump sum contributions must be made in an amount and manner as the original participating municipalities may determine. Gen Mun Law § 116. Necessary funds for such contributions may be raised in the manner provided in Local Finance Law.

CONTRACTS FOR SUPPLY OF WATER

In addition to the power to contract for the development, operation and maintenance of a common water supply, the General Municipal Law authorizes cities, villages, counties acting on behalf of an improvement district, and towns operating on behalf of an improvement district, to develop a water supply in excess of their own needs for sale to other public corporations, municipalities and improvement districts. Gen Mun Law Article 5-C and §118. A city is authorized to sell water to a town water district pursuant to a contract with the town, subject to limitations provided in General Municipal Law § 94 on the amount the city may earn on the sale. Langdon v. Town of Webster, 182 Misc. 2d 603 (Sup. Ct. Monroe Co. 1999), *aff'd* 706 N.Y.S.2d 547.³ However, the city has broad discretionary powers to act for the protection of its inhabitants in determining whether to commit to extension of further water services to an area outside the city boundaries. Kennilworth Management Co. v. City of Ithaca, 63 Misc.2d 617 (Sup. Ct. Tompkins Co. 1970).

County Law, Town Law and Village Law provide additional authority for the extension of a city's water supply into such other municipalities by authorizing contracts for the purchase of excess water capacity. The terms and conditions of a water supply contract between two municipalities are matters of negotiation between the parties. Op. State Compt. 81-48. General Municipal Law § 118-a contracts may provide for the establishment and revision of water charges, the adjudication of disputes and the application of conservation methods by the seller when needed to preserve its excess supply. Gen Mun Law §118-a.

Village Law provides that the board of water commissioners may contract, in the name of the village, with a public corporation authorized to sell a supply of water, for the purpose of purchasing all or a portion of the water supply from the public corporation. Village Law § 11-1124. County Law authorizes the administrative head of a county water district to contract for the purchase of water from any legal entity having excess water capacity available, either on a wholesale or retail basis, subject to the contract being approved by the county's legislative body. County Law §265(a).

Likewise, Town Law provides the town board with authority to contract with a municipal corporation for a supply of water. Town Law §198(3)(b). Towns are further authorized to resell water to the inhabitants and consumers in a water district and may use the revenue for proper public purposes and provide a town charge for that portion of the cost of the water used by the town. Town Law § 198(3)(b). The Town Board may also sell the use of water from hydrants

³ Gen Mun Law § 94 provides that a city operating a water public utility service may earn an amount equivalent to taxes which said service, if privately owned, would pay to such municipal corporation; and in addition, the city may earn from the operation a fair return on the value of the property used, over and above the costs of operation and necessary and proper reserves. Profits resulting from the operation of such a public utility may be used for the payment of expenses or obligations incurred by the city for municipal purposes or for the payment of refunds to consumers.

within a water district for fire purposes. *Id.* Assuming further sale of the water supply will not render the capacity insufficient to serve district users, the Town Board may also permit persons or corporations owning real estate outside the water district to use water from the district system for a fee and subject to restrictions. Town Law § 198(3)(b).

Water rates charged by a city for its excess capacity cannot be arbitrary or discriminatory and must be fair and reasonable. Town of Watertown, Water District 2 v. Department of Environmental Conservation, 176 A.D.2d 1166 (3d Dept. 1991). A city may charge a higher rate for water to another municipality than charged to its own residents, so long as it has a rational basis and the rate is not arbitrary. Op. State Compt. 81-330. In addition, a graduated fee scale whereby charges per unit consumed increases with consumption has been deemed rationally related to a city's legitimate goal of establishing a self-supporting water fund and water conservation. Stepping Stones Associates v. City of White Plains, 100 A.D.2d 619 (2d Dept. 1984), *aff'd* 64 N.Y.2d 690. Accordingly, a city that operates its own water supply may establish rates which vary according to usage. *Id.*

General Municipal Law § 118-a authorizes contracts, of a period up to 40 years, for the sale of water in excess of a municipality's need. Gen Mun Law § 118-a. Contracts between a village board of water commissioners and a corporation to supply the village with water are also limited to a period of no longer than 40 years. Village Law § 11-1100. Contracts by a Town Board for the purchase of water for a town water district or water supply district are similarly limited to a term not to exceed 40 years. Town Law § 198(3)(b) and 198(8). Pursuant to General Municipal Law § 118-a such contracts may be renewed or otherwise extended.

JOINT SEWERAGE DISTRICT

Any two or more cities, towns, town sewer districts, villages and counties may jointly construct, maintain, and operate a comprehensive system of sewerage, including trunk lines and laterals, or a system for conveying and conducting sewerage from said municipalities to an agreed upon common destination for treatment and disposal. Gen Mun Law § 120. Such municipalities may also jointly construct, maintain or operate one or more outlet or trunk sewers, plants, works or stations for the treatment, disposal or rendering of sewage. Gen Mun Law § 120. Municipalities participating in any joint sewerage district have the power to enter into contracts. Gen Mun Law § 120. Furthermore, participating municipalities may acquire real property necessary for sewerage purposes and hold, maintain and operate such property as if acting as separate municipalities. Gen Mun Law § 120-1 (1). Joint sewerage works may be jointly operated and constructed, or the participating municipalities may jointly engage or employ a sanitary engineer. Gen Mun Law § 120-b.

Before taking any proceedings for the construction of a joint system of sewers, participating municipalities must cause a map and plan to be prepared of the joint sewerage system, and submit said map and plan to the NYS Commissioner of Health for approval. Gen

Mun Law § 120-n. No work may proceed in furtherance of the joint sewerage project unless and until the Commissioner of Health approval has been obtained. *Id.*

Any cities or villages acting jointly must publish a copy of the proposed contract for sewerage construction and a determination of assessments if the resulting expenditures will be paid from taxes. Gen Mun Law § 120-p. Residents have 15 days after the publication to file a protest against the contract. In the event such a protest is filed, the contract must be submitted to the voters. *Id.*

General Municipal Law Article 6 governs the obligations and privileges relating to sewerage contracts. Pursuant to the provisions of General Municipal Law § 120-c, municipalities and districts may contract with each other, to construct, operate, maintain or lease a complete comprehensive sewage system, or a trunk line system, or a sewage disposal plant; to enter into contracts with any other municipalities whose territory such trunk sewer lines are intended to pass, for the construction of outlets, trunk sewer or sewers and appurtenances located within the other municipality's territory; to contract with any other municipality for the privilege of connecting its or their sewers and drains; and to contract for any other purpose as may be mutually agreed upon between all the contracting municipalities. Gen Mun Law §120-a.

Contracts under General Municipal Law § 120-c may provide that the municipalities take possession, management and control of sewer works, plants or stations within their territory; include an option to terminate the contract upon payment of an agreed upon rent; and provide a term of not more than 30 years. In the event the contract fails to identify a term, such agreement shall be limited to a period not exceeding 10 years. Gen Mun Law § 120-a. A binding contract under this provision must be signed and executed by a majority of the local authorities of such municipality having care of sewerage in the municipal district. Gen Mun Law § 120-f.

Pursuant to General Municipal Law §120-d, the local authorities of the several municipalities or districts meeting jointly shall, at a meeting at which all the municipalities and districts intending to act jointly are represented, choose a chairman, who shall act as such until a successor is chosen in a similar manner and shall elect a secretary who may or may not be a member of one of the local boards meeting jointly. Gen Mun Law §120-d.

Apportionment of the annual cost of Article 6 sewerage systems may be assessed, in whole or in part, upon the property benefited thereby, or partially assessed against benefited property and the balance paid by the city, town, village or sewer district at large. Gen Mun Law §120-g. Each of the contracting municipalities or districts shall pay its just and proportionate share for the public improvements, including the cost for removal of sewage and of maintenance and carrying charges of the system. The local government share of the costs shall be determined by its local board or commissioners in charge of sewerage before the contract to construct or remove sewerage is effective. Gen Mun Law §120-h.

Each contracting municipality, including a Town sewer district, at large may pay indebtedness created by such public works partly by assessment on the property deemed specially benefited and partly by a charge on the municipality. Gen Mun Law §120-i. Nothing contained therein, however, shall prevent a municipality from paying a portion or the whole of the indebtedness by issuance of obligations pursuant to the terms of the Local Finance Law. Gen Mun Law §120-i. Payments may be made with money from bonds or money raised by taxation. Gen Mun Law §120-k. Whenever any work is to be performed, or materials furnished, contracts must be let in accordance with Gen Mun Law §120-l.

CONTRACTS FOR CONVEYANCE, TREATMENT AND DISPOSAL OF SEWAGE

In addition to cooperative agreements for a joint sewerage enterprise, the General Municipal Law authorizes intermunicipal agreements for sale of excess sewerage capacity. Gen Mun Law Article 5-D. Pursuant to General Municipal Law § 119, cities, village and towns acting on behalf of an improvement district may provide for construction and development of capacity in excess of its own needs for conveyance, treatment and disposal of sewage of another public corporation or improvement district. Such municipalities are further authorized to contract for indebtedness for such purpose. Gen Mun Law §119. These contracts may provide for the establishment and revisions of charges for conveyance, treatment and disposal of sewage and for the adjudication of disputes. Gen Mun Law §119-a. Agreements entered into under Article 5-G must be approved by each participating municipal corporation or district by a majority vote of the voting strength of its governing body, and may be the subject of a public hearing. Gen Mun Law § 119-o(1).

Such agreements may provide:

- a. A method or formula for equitably providing for and allocating revenues and for equitably allocating and financing the capital and operating costs, including payments to reserve funds authorized by law and payments of principal and interest on obligations. Such method or formula shall be established by the participating corporations or districts on a ratio of full valuations of real property, or on the basis of the amount of services rendered or to be rendered, or benefits received or conferred or to be received or conferred, or on any other equitable basis, including the levying of taxes or assessments to pay such costs on the entire area of the corporation or district, or on a part thereof, which is benefited or which receives the service. Gen Mun Law § 119-o (2)(a)

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- b. The manner of employing, . . . necessary personnel, subject, however, to the provisions of the civil service law where applicable; . . . Gen Mun Law § 119-o(2)(b).
- c. Responsibility for the establishment, operation and maintenance of the joint service . . . and the officers responsible for the immediate supervision and control thereof; the fixing and collecting of charges, rates, rents or fees, where appropriate, and the making and promulgation of necessary rules and regulations and their enforcement by or with the assistance of the participating corporations and districts; the conduct of hearings and the determination of issues raised thereat; the making of necessary inspections; the keeping of records and the making of reports including those required by article three of the general municipal law; and limitations or restrictions on individual participating corporations and districts from providing or undertaking similar or competing facilities, services, activities, projects, or undertakings. Gen Mun Law § 119-o(2)(c).
- d. Purchasing and making of contracts subject to general laws applicable to municipal corporations and school districts. Gen Mun Law §119-o(2)(d).
- e. Acquisition, ownership, custody, operation, maintenance, lease or sale of real or personal property. Gen Mun Law § 119-o(2)(e).
- f. Acceptance of gifts, grants or bequests. Gen Mun Law §119-o(2)(f).
- g. Making of claims for federal or state aid payable to the individual or several participants on account of the joint service or a joint water, sewage or drainage project. Gen Mun Law § 119-o(2)(g).
- h. Custody by the fiscal officer of one participant of any or all moneys . . . and authorization to such fiscal officer to make payments on audit . . . Gen Mun Law § 119-o(2)(h).
- i. Manner of responding for any liabilities that might be incurred in the operation of the joint service or a joint water,

sewage or drainage project and insuring against any such liability. Gen Mun Law § 119-o(2)(i).

- j. Procedure for periodic review of the terms and conditions of the agreement, including those relating to its duration, extension or termination. The duration of an agreement hereinafter entered into, unless otherwise provided by law, may extend up to a maximum term of five years. With respect to agreements, the performance of which involves the issuance by the participants of indebtedness, either joint or several, the term of the agreement may extend up to a maximum period of time equal to the period of probable usefulness established by section 11.00 of the Local Finance Law in connection with the object or purpose for which the indebtedness was issued. Nothing herein contained shall prevent or prohibit either the renewal of agreements upon conclusion of the terms established, or amendments, modifications, clarifications, or cancellations of agreements prior to conclusion of the terms established.
- k. Adjudication of disputes or disagreements, the effects of failure of participating corporations or districts to pay their shares of the costs and expenses and the rights of the other participants in such cases.
- l. Other matters as are reasonably necessary and proper to effectuate and progress the joint service or a joint water, sewage or drainage project.

ADDITIONAL FINANCIAL CONSIDERATIONS

I. Water

After a water district is established, a Town Board is authorized to purchase any existing water system or portion thereof, (costs of installation, maintenance and repair shall be district changes to be assessed, levied and collected as provided in Town Law § 202 and 202-a), to fix a uniform service charge for installation, to be used for any water district purpose, to contract with another municipality for a supply of water for a term not to exceed 40 years, and to resell water to water district users, levy water rents against the property liable and to state the amount of the tax in a separate column in the annual tax rolls of the various towns under the name of "Water Rents". Town Law § 198(3).

Public water supply systems are generally financed through bonds or notes. Local Finance Law §101.00(a). These obligations are repaid or redeemed with funds generated from the operation of the waterworks, (e.g. water rents). Op. State Compt. 84-63. Water supply systems may also be financed by imposing special assessments against properties located within the area to be serviced by the water supply system.

Town Law § 198(3)(d) authorizes application of surplus water rents toward the "improvements of the water system" serving the various districts in the Town. Langdon v. (T) Webster, 182 Misc. 2d 603 (Sup. Ct. Monroe County 1999).

Town Board charges for water sold shall be sufficient to pay all estimated annual costs of operation and maintenance and all annual installments of principal and interest on obligations. See Town Law § 198(8-a).

Funds to pay costs for maintenance and operation of a water system may be obtained by establishing or increasing water rates, issuing budget notes subject to limitations in Local Finance Law § 29.00 and using surplus moneys of a district and unexpended balances of appropriations made for district purposes.

II. Sewer

After a sewer district is established, a Town Board is authorized to contract with a municipality for supplying sewer facilities to the district, contract for the purchase of sewer trunk, lateral sewer, sewer system or disposal rights, rights-of-way, etc.; and/or enter into a contract with another sewer district or with any incorporated city or village for the joint disposal of sewage, and expenses of such joint disposal of sewage as apportioned between the parties in proportion to the areas served, volumes of sewage disposed of or benefits received by each party; establish connection and inspections charges, fees and rates, sewer rents for use of the sewer system pursuant to Gen Mun Law Article 14-F; establish operating and maintenance charges, fees or rates, and provide a penalty not to exceed 10% if sewer rents are in arrears more than 30 days. See Town Law § 198(1).

Towns may contract with the County to provide sewer service to properties within a county sewer district, with the cost financed by the county in the same manner as other operation and maintenance costs incurred by the district. Op. State Compt. 91-24.

Moneys received on behalf of a sewer district as a condemnation award may be used for any general sewer district purpose. 13 Op. State Compt. 79 (1957).

III. Improvement Expenses

Expenses of establishing a sewer or water quality treatment district, a water district, water storage and distribution or water supply district and of construction of a trunk sewer, water

laterals, and street improvements shall be borne by local assessment upon lots and parcels which are determined to be benefited by the improvement. Town Law § 202(2) & (3).

Expenses of any extension of an existing water or sewer district shall include all the costs and expenses occasioned by reason of such extensions and in addition thereto such proportion of the costs of any reservoir, standpipes, water purification works, pumping stations and main water lines, including lands, of the original district and such proportion of the cost of the outfall and trunk and sewage treatment works including lands of the original district, as determined by the board. Town Law § 202(5).

IV. Operation and Maintenance Expenses.

Cooperation agreements for common water and/or sewerage service may contain "provisions setting forth a method or formula for equitably providing for and allocating revenues and for equitably allocating capital and operation costs." It should also be noted that the cooperation agreement, itself, is not subject to the competitive bidding requirements of General Municipal Law §103; however, any purchase of goods or services under or pursuant to that agreement may be so subject. *See* General Municipal Law §103; Op. State Compt. 96-19. A municipal agreement can set forth the agreed allocation of revenues generated and remaining revenue over expenses and the cost allocations for each municipality. Op. State Compt. 88-40.

When services or goods are jointly obtained, or one municipality provides the service or goods to another, a reasonable cost allocation based on an "equitable basis" should be used in determining the amounts to be paid by each municipality (or by one municipality to another) *See e.g.*, Op. State Compt. 94-10 ("method of equitably allocating the operating costs"). Such an allocation of costs begins with the fundamental premise that unless authorized or required by statute, all town functions are performed and financed on a townwide basis. *See* Ops. State Compt. 89-61 and 94-10; *Village of Ardsley v. Town of Greenburgh*, 79 A.D.2d 628, (2d Dept. 1980) *modified*, 55 N.Y.2d 915. Moreover, Local Finance Law § 15.00(c) permits municipal corporations to contract for indebtedness to construct a joint project. This indebtedness can be borne by one or both of the municipalities. So long as the indebtedness does not exceed a municipality's allowed debt limit. When the contract for indebtedness is not joint indebtedness, then the severally contracted indebtedness must be the proportion specified in the intermunicipal agreement. If the agreement fails to provide such proportions (or the municipalities could not agree such proportions), then it is presumed that the contract for indebtedness is joint indebtedness.

Pursuant to Local Finance Law §15.10(c), the allocation of joint indebtedness must be based on:

1. the ratio of full valuations of real property;
 2. the amount of services rendered or to be rendered, received or conferred;
- or

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3. any other equitable basis.

In addition to indebtedness limitations and apportionment, another limitation is the inability to transfer funds from one fund to another (except with respect to monies accounted for in the general fund). For example, if two towns had specific water project funds and they sought to enter into an intermunicipal agreement for sewer services, the funds in the water project fund could not be transferred to the sewer fund (even if a surplus of funds existed in the water project fund). In this same vein, no contract may be entered into that involves expenditures or incurs pecuniary liability unless an amount is appropriated for a particular purpose. *See* Town Law §117; Village Law §5-520(2).

Of course, municipal funds must be expended for state or public concern, and cannot be expended for private gain. However, once a public concern is demonstrated, the expenditure is acceptable. Similarly, municipalities can make "gifts" to each other provided, again, the gift is for a public purpose or concern. *Op. State Compt.* 81-393.

V. Constitutional Issues:

Certain New York State Constitutional provisions limit revenue sharing between municipalities. One constitutional limitation precludes real property taxes from exceeding a defined percent of the total full real property valuation of a municipality. Another constitutional limitation concerns the amount of debt that any particular municipality may incur. A third limitation is that the assessor of each Town must annually determine the market value of each property and the "uniform" percentage of value for each property, before taxes can be levied. This determination must be independently made. Each year is a new and "different" determination. *See* RPTL 305 and Article 5. In this regard, it is well settled that statutory duties and responsibilities of public officers that exercise judgment or discretion cannot be delegated, unless authorized by statute. *See Hartford v. Town of North Hempstead*, 118 A.D.2d 542, (2d Dept. 1986). That is, an intermunicipal agreement cannot be written in such a manner as to expressly or impliedly remove the assessor's discretion in establishing real property valuations. *See Op. State Compt.* 88-46.

The real property valuation may also give rise to potentially disparate allocations of taxes. That is, the impact of the determined State equalization rate among municipalities comprising a school district or county may result in disparate treatment, for school tax purposes, of taxpayers in those different municipalities.

There is no specific statutory or constitutional preclusion of real property tax sharing. However, it would seem that its benefit solely arises when one municipality is seeking to "reap" or "share" in another municipality's enhanced tax base that it derived as a result of increased commercial activity from joint or solely provided service or purchased goods. That is, Town A experiences economic growth because of its cooperative agreement with City B, and City B wants to "share" in the resultant additional tax revenues generated to Town A. However, the

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statutory and State Comptroller opinion reviews emphasize "equity" being related to cost incurred.

An unanswered issue concerns the parameters of the "equity" based allocation of revenues. Here, equity could be argued to recognize that City B should share in Town A's success, on the premise that Town A would not have enjoyed that success but for City B's cooperation. However, the Office of the State Comptroller has opined in analogous circumstances that the discretion of the municipal board members to pay general village funds may prohibit such tax sharing:

Village streets, however, do not constitute part of the Town highway system [citations omitted], consequently, towns are not authorized to levy taxes upon village residents for the maintenance of a village streets [citations omitted]. Moreover, an agreement for a town to repair and maintain village streets does not transform a village street into a town highway and, since there is no authority for a town to directly tax village property owners to fund the village's agreed upon consideration for the town's services, the agreement may not authorize the levy of town taxes within the village to generate revenues to reimburse the town for the cost of repairing and maintaining village streets. Rather, the initial expenses incurred to perform work under the contract would be paid from town highway fund moneys and, if the agreement provides for consideration, all or part of the expense would be reimbursed to the town highway fund by contractual payments of village funds from the village.

See Op. State Compt. 98-10 and 82-136.

Because taxes are levied annually and are the subject of discretion and judgment, this opinion implies that revenue sharing based on real property taxes is not permissible.

In Langdon v. Town of Webster, 182 Misc.2d 603 (Sup.Ct. Monroe Co. 1999), the court approved a water district's use of surplus funds to expand its water resources. More significantly, the court refused to address whether the accumulation of those excess funds was constitutional on the procedural ground that it had not been timely raised. On appeal, the Fourth Department affirmed, but applied a correlative benefit test. This test requires an analysis of whether the expenditures have a correlative benefit in connection with otherwise lawful expenditures of duly collected revenues. In the context of supplying or expanding water resources to another Town for its pecuniary benefit and economic development, a correlative benefit potentially may not be found to the supplier municipality, thereby limiting the supplier municipality to recovery of cost only.

VI. Legislative Proposals

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Currently, there is no clear mechanism whereby municipalities are authorized to enter into agreements in which one municipality may agree to provide water and other services to properties in another municipality in exchange for a share of the resulting local and special district taxes or sales tax revenues.

In order to create such a mechanism, several bills have been introduced into the New York State Legislature to amend the General Municipal Law to provide such authority to municipalities statewide. *See* Assembly Bill No. 2941 (Assemblyman Tokasz) and Senate Bill No. 2398 (Senator Rath). None of these statewide bills have passed. Information obtained from the Assembly Program office indicates that legislators are reluctant to pass legislation of statewide application on the grounds that unanticipated economic impacts could result.

On the other hand, individual efforts to pass such legislation have proven successful. On August 10, 2001, Governor Pataki signed a so-called home rule bill into law as Chapter 148 of the Laws of 2001. Chapter 148 authorizes the City of Gloversville and the Town of Johnstown to enter into certain cooperative agreements whereby the city may provide water and other services to properties in the town in exchange for a share of the resulting property tax, sales tax and other specified taxes generated from such properties. *See* Assembly Bill No. 5980 (Assemblyman Butler) and Senate Bill No. 3086 (Senator Farley). Chapter 148 requires that such agreement be approved by a majority vote of each municipality's governing body. The Assembly Program office indicates that legislators are more likely to act on similar home rule bills which present a specific proposal, with any economic impact limited to identified participating municipalities.

Appendix C:

2001 Hiscock & Barclay Legal Opinion Regarding Whether a Master Agreement could be created between the Cities of Johnstown and Gloversville and other municipalities within Fulton County to establish prescribed rates, terms, and conditions for future extensions of water and sewer services.

MEMORANDUM

**CONFIDENTIAL COMMUNICATION
ATTORNEY CLIENT PRIVILEGE/
ATTORNEY WORK PRODUCT**

TO: James E. Mraz, Director
County of Fulton Planning Department

FROM: Hiscock & Barclay, LLP

DATE: September 21, 2001

RE: Proposed Countywide "Master Agreement" for Water and Sewer Service
Extensions from the Cities of Johnstown and Gloversville to Other Municipalities

QUESTION PRESENTED:

Whether a Master Agreement can be created between the Cities of Johnstown and Gloversville and other municipalities located within Fulton County to establish prescribed rates, terms, and conditions for all future extensions of water and sewer services by said cities?

CONCLUSION:

There are various options that would permit the establishment of one or more Master Agreements.

DISCUSSION:

General Municipal Law Article 5-C authorizes a municipality to develop a supply of water in excess of its own needs for sale, and to enter into contracts for sale of that surplus water. Such contracts may not exceed a term of forty (40) years, and may contain provisions for establishment and revision of charges for water, for adjudication of disputes, and, in return for a guaranteed minimum consumption by the purchaser, for implementation of conservation

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methods, when needed to preserve excess. Similar authority for the development of excess sewage capacity is found in General Municipal Law Article 5-D. Therefore, the Cities of Johnstown and Gloversville, through the use of one or more Master Agreements, may contract with other municipalities within the County for use of their excess water and sewage capacities.

I. PRESCRIBED RATES

A. Water/Wastewater Usage

There are various types of charges and fees that such agreements may encompass. The most fundamental charge would be a standard base rate for water or wastewater usage. A uniform rate per gallon would be paid by any municipality or district, which would, in turn, charge the individual users within its boundaries. The flow would be metered at the boundary of the municipality or district. The City thereafter reads the meter(s), and bills for usage on a regular basis, such as monthly. As noted above, the water supply contract may include a set minimum amount of water that each municipality or district must pay for, regardless of actual usage. *See*, General Municipal Law Section 118-a. Both the sewage disposal and water supply agreements could also set maximum average daily usage. A separate rate may be instituted for usage in excess of the maximum. Similarly, hook up fees and usage surcharges may also be included.

B. Capital Improvements

The service extension areas would require the construction of physical improvements within their boundaries. If the cities currently have sufficient facilities to implement the expansion scheme, including adequately sized pipelines, but do not wish to share in the cost of capital improvements made outside the limits of their jurisdiction, and desire to remain sole owners of their systems, such costs would have to be borne by the Town or Village acquiring service. Additionally, even if Johnstown and Gloversville are willing to share in those costs, they must be mindful of their Constitutional debt limits. *See*, New York State Constitution Article VIII. Under this scenario, capital improvements made outside the limits of the cities, including the installation of meters and fire hydrants would be the responsibility of the contracting municipalities or districts.

To finance the initial construction of the requisite capital improvements, each municipality may contract indebtedness for any municipal purpose, and for the appropriate period of probable usefulness set forth in Local Finance Law Section 11. *See*, Local Finance Law Section 10. In order to be able to charge the costs of construction back to the benefited property owners, a town would be required to form one or more water and/or sewer districts. *See*, Town Law Articles 12 and 12-A. A village would be required to establish a system of water works pursuant to Village Law Article 11, and/or a sewerage system pursuant to Village Law Article 14. Unless the cities wish to enter into a municipal cooperation agreement, governed by the provisions of General Municipal Law Article 5-G, the Master Agreement(s) would

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specifically state that each extension area would be solely responsible for its own capital improvement costs. However, the Agreement(s) could grant the cities the authority to approve the plans for the connection(s) to the main system, including the installation of master meters and meter pits. The cities could also choose to oversee the construction of all necessary pipelines and other appurtenances within the extension areas.

C. Maps/Plans

Before construction of any new water or sewer facilities can occur, comprehensive maps and plans of the proposed systems must be prepared. *See*, Village Law Sections 11-1106 and 14-1400, Town Law Sections 191-a and 209-b, and General Municipal Law Section 99-d. The costs of the maps and plans may be paid for by the individual municipalities, or shared amongst them, pursuant municipal cooperation agreements. *See*, General Municipal Law Article 5-G. The Master Agreement(s) need not address these charges.

D. Operation and Maintenance Costs

Aside from capital improvements, there would also be costs associated with the operation and maintenance of the newly constructed facilities, (pipelines, tanks, meters, fire hydrants, etc.,) as well as the continued operation and maintenance of the water and sewage treatment facilities currently in existence within each city. One method to offset the additional wear and tear on the existing systems would be to impose user fees and surcharges, as noted above. Alternatively, the base water rates could be set at levels sufficient to encompass these costs.

If operation and maintenance of the water and sewer facilities constructed by the towns and villages are handled solely by those municipalities, the Master Agreement(s) should confirm that the cities will not be responsible. However, if the cities wish to take control of the operation and maintenance of the extension areas, the Master Agreement(s) must include terms to this effect, as well as the fees to be charged for this service.

Inherent in the cost of operation and maintenance, are the costs of future repairs. There are several options that may be used in the Master Agreement(s). The first would be to roll the cost of a repair reserve into the (monthly) operation and maintenance fees. Another option would be to make each extension area responsible for payment of all repairs, as they occur. Of course, this may require large lump sum payments for repair charges, which could strain the finances of the small municipalities.

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II. AGREEMENT ALTERNATIVES

A. Sale of Existing Water Systems

Up to this point the basic premise of this memorandum has been that the water and sewer systems of the Cities of Johnstown and Gloversville would remain autonomous. While this option may be the simplest method by which to implement Master Agreement(s), there are other methods available. For example, the cities are permitted to sell and convey their water supply and distribution systems, or any part thereof, to a county water district established pursuant to Article 5-A of the County Law, or joint waterworks system established pursuant to Article 5-B of the General Municipal Law. *See*, General Cities Law Section 20(7-a). The proceeds of such a sale must be deposited into a reserve fund established for the purpose of retiring outstanding obligations issued by the cities to finance the costs of the facility sold, and must be expended only for such purpose, unless the proceeds exceed the sum of all installments of principal and interest. In that event, any monies that remain unexpended in the reserve fund may be used for any city purpose. *Id.*

If this option is pursued, the agreement for sale or conveyance of the existing city water systems would be separate from any subsequent "Master Agreement" outlining water rates, operation and maintenance charges, hook-up fees, and procedure for allocation of capital improvement costs. The advantage to having either a joint waterworks system or a countywide water district would be to standardize and subsidize the extension of water service into other towns and villages not currently serviced. On the other hand, this option requires that the costs associated with the existing city systems be shared with the other municipalities or districts.

B. Sale of Water and Sewer Systems to Public Authority

Pursuant to the aforementioned section of the General City Law, the city water systems may also be sold or transferred to a municipal or county water authority, created pursuant to the Public Authorities Law. In fact, not only may the water system be transferred to such a water authority, but the sewer system may also be transferred to a sewer authority pursuant to Title 8-a of the Public Authorities Law. More specifically, Section 1196-d(5) of the Public Authorities Law permits such a local water and/or sewer authority may acquire, buy, purchase, gift, grant, transfer, contract, lease, or condemn, any real or personal property or any interest deemed necessary, desirable or convenient to carry out its function.

C. Intermunicipal Agreement with Public Authority

Alternatively, if the city owned systems are not sold to the public authority, the cities may contract with the authority for the use of the entire system(s), or just their excess capacity. *See*, Public Authorities Law Section 1196-d(4), (6), (16), (17), (18), (21).

James E. Mraz, Director
September 21, 2001
Page 5

One particular advantage is that a countywide municipal water and sewer authority would be a public benefit corporation, able to contract with local districts or municipalities for the construction of the improvements within its geographical territory. Therefore, rather than requiring that small municipalities bond or otherwise pay for the long term financing of improvements, the public authority would contract for the indebtedness. In return, it would be reimbursed by the municipality through installment payments made over a period of time. Furthermore, a public authority may also contract with the individual municipality to perform the operation, maintenance and repair functions the individual municipalities may find burdensome, such as reading and maintaining meters, maintenance of fire hydrants and installation of water or sewer lines, including lateral lines. While this is an effective option, it must be noted that creation of the countywide water and sewer authority would require an act of the State Legislature.

D. Creation of County Water and Sewer District(s)

If it is not possible to create a countywide water and sewer authority, there is a procedure for creation of county water and/or sewer district(s). *See*, County Law Section 256. The area of the district(s) may include all or part of the county, except that it may not include towns where the service is already provided. *See*, County Law Sections 250 (1-a) and 253. Having a county water and/or sewer district would again avoid the long and difficult process of each town and/or village having to create its own district, water or sewer works. This option would also provide a cohesive plan for services, through the preparation of maps and plans on the county level. *See*, County Law Section 253.

As previously indicated, the county district(s) may acquire the existing water and sewer systems located in Johnstown and Gloversville. This memorandum does not include a discussion of the potential terms of the acquisition contract. Once the systems are transferred to the county district, the allocation and imposition of capital costs and other charges would be governed by the provisions of Article 5-A of the County Law.

Finally, the county district(s) may contract with the cities through the use of municipal cooperation agreement(s). *See*, General Municipal Law Article 5-G. The cities and the county district(s) could contract for the use of the excess system capacity, or provide for more extensive involvement, such as joint system operation. The Master Agreement(s) would address the same types of costs/charges and other provisions illustrated above.

LRP/kmc

Appendix C:

1990 Resolutions from the City of Johnstown Common Council, Town of Johnstown Town Board, and City of Johnstown Water Board supporting efforts to establish a regional water system.

6/18/90

RESOLUTION NO. 112 1990

Alderman DiSpirito presented the following Resolution and moved its adoption.

WHEREAS The recent Order from the New York State Commissioner of Health and the advent of new Federal Surface Water Treatment Rules (SWTR) are leading the City toward the consideration of providing filtered water for its customers, and

WHEREAS It has been proposed that consolidation of local Water Boards and agencies might assist in the overall economic and residential development in the area, and

WHEREAS Members of the City Water Board on June 7, 1990 met with the Fulton County Planning Board to discuss various alternatives which may be available for the creation of a new regional water authority.

NOW THEREFORE, BE IT RESOLVED That the Common Council of the City of Johnstown supports the efforts of the Fulton County Planning Board in its consideration of a regional water authority which would encompass the cities of Gloversville, Johnstown, the Town of Johnstown and perhaps other neighboring areas.

Seconded by Alderman O'Regan

Adopted by the following vote:

Ayes: 5

Noes: 0

Mr. SMULLEN.....offered the following Resolution and moved its adoption:
Seconded by Mr... PALMATEER..... and adopted by the following vote:
Edwards AYE..... Palmateer AYE..... Wilson AYE..... VanValkenburgh ABSENT.... Smullen AYE.....

WHEREAS the recent order from the New York State Commissioner of Health and the advent of new Federal Surface Water Treatment Rules (SWTR) are leading the City toward the consideration of providing filtered water for its customers, and

WHEREAS it has been proposed that consolidation of local Water Boards and agencies might assist in the overall economic and residential development in the area, and

WHEREAS members of the Water Board on June 7, 1990 met with the Fulton County Planning Board to discuss various alternatives which may be available for the creation of a new and regional water authority.

NOW THEREFORE, BE IT RESOLVED that the Town Board of the Town of Johnstown supports the efforts of the Fulton County Planning Board in its consideration of a regional water authority which would encompass the cities of Gloversville, Johnstown, the Town of Johnstown and perhaps other neighboring areas.

STATE OF NEW YORK :
COUNTY OF FULTON :
TOWN OF JOHNSTOWN :

I, Janice Getman, Town Clerk of the Town of Johnstown, Fulton County, New York do hereby certify that I have compared the preceding resolution with the original thereof filed in my office at the Town Hall, Town of Johnstown, Fulton County on the 18th day of June 1990 and that the same is a true and correct copy of said original and of the whole thereof.

In testimony whereof, I have hereunto set my hand and affixed the seal of said Town this twenty second day of August 1990.



Town Clerk Town of Johnstown

6/12/90

WATER BOARD RESOLUTION NO. 21 1990

Board Member Peters presented the following Resolution and moved its adoption.

WHEREAS The recent Order from the New York State Commissioner of Health and the advent of new Federal Surface Water Treatment Rules (SWTR) are leading the City toward the consideration of providing filtered water for its customers, and

WHEREAS It has been proposed that consolidation of local Water Boards and agencies might assist in the overall economic and residential development in the area, and

WHEREAS Members of the Water Board on June 7, 1990 met with the Fulton County Planning Board to discuss various alternatives which may be available for the creation of a new regional water authority.

NOW THEREFORE, BE IT RESOLVED That the Water Board of the City of Johnstown supports the efforts of the Fulton County Planning Board in its consideration of a regional water authority which would encompass the cities of Gloversville, Johnstown, the Town of Johnstown and perhaps other neighboring areas.

Seconded by Board Member Smith

Adopted by the following Vote:

Ayes: 4
Noes: 0 (carried)

APPENDIX D
SEAR BROWN ENGINEERING REPORT

Appendix D:

2002 Sear Brown Engineering Report entitled "Fulton County Water and Sewer Study", prepared for the Fulton County Board of Supervisors.

FULTON COUNTY WATER AND SEWER STUDY

JUNE 2002

Prepared for:

**FULTON COUNTY BOARD OF SUPERVISORS
223 WEST MAIN STREET
JOHNSTOWN, NEW YORK 12095**



Prepared by:

**SEAR-BROWN
85 METRO PARK
ROCHESTER, NEW YORK 14623**

PROJECT NUMBER: 17024

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Section I -- Executive Summary

1.1 Introduction

The Cities of Gloversville and Johnstown jointly own and operate a tertiary wastewater treatment facility. This facility treats all wastewater generated in both Cities. The facility has an approved treatment capacity of 10.1 million gallons per day. Average daily flows to the facility in 2000 were about 8 million gallons per day.

The Cities of Gloversville and Johnstown each own and operate their own water systems and filtration facilities. These water systems are operated and managed by Water Boards. The City of Gloversville Water Filtration Facility has a capacity to process 8 million gallons of water per day. It is currently processing about 2.6 million gallons of water per day. The City of Johnstown Water Filtration Facility has a capacity to process about 4.5 million gallons of water per day and is currently processing 1.8 million gallons per day.

In 1997, the Fulton County Planning Board prepared an Economic Development Strategy for Fulton County. This Strategy recommended that City of Gloversville and Johnstown Water Boards and the Joint Sewer Board fund a study to examine the legal and engineering implications involved with extending municipal water and sewer services beyond the geographic boundaries of the two cities.

In 1999, the Fulton County Board of Supervisors decided to take the lead role in having a countywide water and sewer plan prepared. One part of the plan is to examine where gravity-fed City water and sewer services can be extended beyond the municipal boards of the Cities of Gloversville and Johnstown. The second part of the plan is to prepare a model agreement that the Cities of Gloversville and Johnstown and towns can utilize for the extension of municipal water and sewer services.

1.2 Scope of Work

The purpose of this preliminary engineering evaluation is to identify the geographic area of Fulton County that existing community water and wastewater systems can serve by gravity flow.

The project approach includes:

- An inventory and analysis of existing community water and wastewater systems to confirm their ability to serve additional areas.
- Identification of additional service areas.
- Identification of implementation opportunities.

1.3 Summary of Findings

- The City of Gloversville water system has excess water supply and treatment capacity. The City water system could serve additional customers. The City of Gloversville excess water supply is limited by the safe yield of its surface water reservoirs and is estimated at 2.1 million gallons per day.
- The City of Johnstown water system has excess water supply and treatment capacity. The City water system could serve additional customers. The City of Johnstown excess water supply is limited by the safe yield of its surface water reservoirs and is estimated at 0.91 million gallons per day.
- The Village of Mayfield community water system has excess supply and treatment capacity and is estimated at 320,000 gallons per day. The Village water system will likely meet future demands. The Village could consider the expansion of their distribution system to serve additional areas within the Town of Mayfield.
- The Town of Northhampton and Village of Northville community water systems have excess supply and treatment capacity estimated at 140,000 and 250,000 gallons per day, respectively. These water systems will likely meet future demands. These communities could consider the expansion of their distribution systems to serve additional customers.
- The Gloversville-Johnstown Joint Wastewater Treatment Facility (GJJWTF) serves the Cities of Gloversville and Johnstown. Wastewater consists of domestic sanitary sewage from the two Cities as well as high strength industrial waste from more than two dozen industries including leather tanning and finishing, glue manufacturing and textile manufacturing. The treatment facility was built in 1972 and last upgraded in 1991 to accommodate wastewater flows generated by industry. The upgrade cost was about \$40 million. The facility was upgraded and several leather industries subsequently closed. The facility design capacity is 13.8 mgd. The facility approved treatment capacity is 10.1 mgd. The 2001 average flow is reported to be about 7.3 mgd. The GJJWTF has considerable excess capacity to serve additional customers.
- Average daily wastewater flow (7.3 mgd) exceeds the average daily water demands of both Cities (3.97-mgd). Unaccounted wastewater flow is about 3.33 mgd. This is about 46 percent of the average daily flow. As a result, 46 percent of wastewater being treated at the GJJWTF generates no revenue. During periods of wet weather, unaccounted flow is significantly greater. This is an unsustainable model of performance and may limit the ability of the GJJWTF to serve additional customers or expand its service area.
- The Cities of Gloversville and Johnstown water systems have the greatest ability for expansion and interconnection to encourage economic development throughout the County. Although limited in-filling and re-development is available within the Cities, the greatest opportunity for economic development exists in the Towns surrounding the two Cities.

- Water/wastewater planning and management in Fulton County needs to be improved. There is a need within Fulton County for a cooperative effort to meet future water/wastewater needs. Several municipalities expressed, to Sear-Brown, a desire for assistance to meet existing water/wastewater needs. Continual pressure from state and federal agencies as well as the complex nature of ever changing regulations also confirms a need for additional assistance. Given the nature of the water/wastewater resources available in Fulton County; the number of small systems; and present and proposed regulations, Fulton County should assist local communities in the management of development of water/wastewater resources. The County should serve as a liaison between local utility systems; County departments; and other outside agencies including the NYSDEC and NYSDOH.
- Fulton County needs to recognize and promote the tremendous asset it has with its abundant supply of filtered water and available wastewater capacity. Promoting this asset should occur for two reasons.
 1. With decreasing usage, both Cities and the Joint Wastewater Treatment Facility are losing revenue. Promoting the use of City water will help restore loss revenues and stabilize user rates.
 2. Fulton County has created an effective economic development program. Within this program, a concerted effort should be made to market this County's available water/wastewater capacities in an attempt to attract new economic development.

1.4 Recommendations

- Fulton County should formalize communications between the Cities of Gloversville, Johnstown and the County and create a single group to coordinate the planning and management of local water and sewer systems.
- The Fulton County Board of Supervisors should consider the creation of County water and sewer districts to help expedite the extension of municipal water and sewer services into areas outside of the Cities of Gloversville and Johnstown. A County water district would serve as a customer and purchase water from either City's water system. The creation of County districts represents the best option for managing the extension of city water and sewer services to the surrounding Towns that desire these services.
- The Fulton County Board of Supervisors should consider the formation of a County Sewer and Water Agency. The Agency would be a special assignment responsibility for the Board of Supervisors. Agency members would consist of municipality representatives and acts in an advisory capacity to the Board of Supervisors relative to water and sewer infrastructure needs. The Agency could employ such engineering, legal and professional assistance for proper resource planning. The Agency would not take away the powers or duties of local water and sewer boards. The Agency would conduct, with local assistance, planning/engineering studies for regional water/wastewater improvements and make recommendations to the Board of Supervisors.

Section II -- Introduction

2.1 Background

Fulton County is located about 45 miles northwest of Albany, New York in the foothills of the Adirondack Mountains. According to the 2000 Census, Fulton County had a population of 55,073 residents, with 23,927 residents located in the Cities of Gloversville and Johnstown. There are ten (10) Towns, two (2) Cities and four (4) Villages within Fulton County. These municipalities are presented in Figure II-1.

The Cities of Gloversville and Johnstown are the population centers of Fulton County. However, since the 1950's, both Cities have experienced an out migration of population. In 1950, the two Cities had a combined population of 34,557. In 2000, the combined population was 23,924. That represents a loss of 10,633 people or 31 percent of their total population. In comparison, the ten town's population between 1950 and 2000 grew from 16,564 to 31,149. This represents an increase of 14,585 or 88 percent. As one can see, Fulton County's growth is occurring in the outlying towns. The following table shows population trends in all Fulton County municipalities since 1900.

Table II-1
Fulton County
Population by Municipality
1900 - 2000

Municipality	1900	1910	1920	1930	1940	1950	1960	1970	1980	1990	2000
City of Gloversville	18,349	20,642	22,075	23,099	23,329	23,634	21,741	19,677	17,836	16,656	15,413
City of Johnstown	10,130	10,447	10,908	10,801	10,666	10,923	10,390	10,045	9,360	9,058	8,511
Total Cities	28,479	31,089	32,983	33,900	33,995	34,557	32,131	29,722	27,196	25,714	23,924
Bleeker	603	500	389	202	190	220	245	294	463	515	573
Broadalbin	1,946	1,845	1,949	2,226	2,300	2,543	2,945	3,542	4,074	4,397	5,066
Caroga	470	441	332	306	408	462	568	822	1,177	1,337	1,407
Ephratah	1,566	1,312	1,038	949	1,045	1,063	1,237	1,297	1,564	1,556	1,693
Johnstown	2,661	2,511	1,948	2,612	3,561	4,153	5,120	5,750	6,719	6,418	7,166
Mayfield	2,136	2,056	1,866	2,077	2,734	3,145	3,613	4,522	5,439	5,738	6,432
Northampton	2,226	2,228	2,191	1,919	1,761	1,925	2,033	2,379	2,829	2,705	2,760
Oppenheim	1,258	1,241	1,812	1,147	1,202	1,290	1,223	1,431	1,806	1,848	1,774
Perth	667	695	596	838	1,000	1,299	1,768	2,383	3,261	3,377	3,638
Stratford	830	607	453	384	401	464	421	495	625	586	640
Total Towns	14,363	13,436	12,574	12,660	14,602	16,564	19,173	22,915	27,957	28,477	31,149
Total Fulton County	42,842	44,525	45,557	46,560	48,597	51,121	51,304	52,637	55,153	54,191	55,073

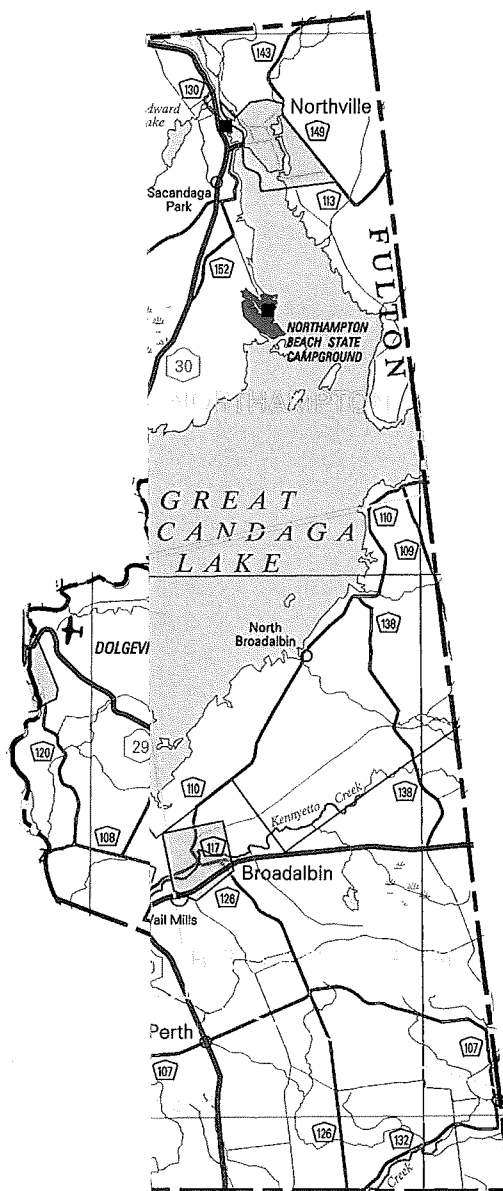
The Cities of Gloversville and Johnstown jointly own and operate a tertiary wastewater treatment facility. This facility treats all wastewater generated in both Cities and several areas within the Town of Johnstown. The Joint Sewer Board manages the Wastewater Treatment Facility. The Common Councils appoint members of the Joint Sewer Board. The Sewer Board hires staff at the facility.

The Cities of Gloversville and Johnstown each own and operate their own water systems and filtration facilities. These water systems are operated and managed by Water Boards. These independent Boards have members elected by the people in each City. The City of Gloversville Water Filtration Facility has a capacity to process 8 million gallons of water per day. It is currently processing about 2.5 million gallons of water per day. The City of Johnstown Water Filtration Facility has a capacity to process about 4.5 million gallons of water per day and is currently processing 1.5 million gallons per day.

The Cities water and sewer systems serve limited areas beyond their municipal boundaries in the Town of Johnstown. The Town of Johnstown completely surrounds the two cities. These areas in the Town are located either in Permissive Use areas or Water/Sewer Districts. The creation of a water/sewer district, however, is often a long and difficult process that can discourage local governments from pursuing them. There are also concerns from the Cities that the extension of their water and sewer services into the Towns will promote and encourage growth and development in the Towns and not in the Cities. Both Cities have little vacant land to develop. Yet, the Cities are interested in allowing their services to be extended into the Towns if they can generate revenues from development in the Towns resulting from the extension of City services there. This situation and other factors have limited the extension of City water and sewer services outside of the two Cities.

In 1997, the Fulton County Planning Board prepared an Economic Development Strategy for Fulton County. This Strategy recommended that City of Gloversville and Johnstown Water Boards and the Joint Sewer Board fund a study to examine the legal and engineering implications involved with extending municipal water and sewer services beyond the geographic boards of the two cities. The Economic Development Strategy recommended that a countywide water and sewer plan be developed to promote growth, lower services costs, and expand the tax bases of communities in Fulton County. In 1999, the Fulton County Board of Supervisors decided to take the lead role in having a countywide water and sewer plan prepared. As a result, the Board of Supervisors, with the support of both Cities, decided to undertake a two-part study:

1. Examine where gravity-fed City water and sewer services can be extended beyond the municipal borders of the Cities of Gloversville and Johnstown and
2. Prepare a model agreement that the Cities of Gloversville and Johnstown and towns could utilize for the extension of municipal water and sewer services.



OWN

23-2674

PROJECT

Water and Wastewater Study
Fulton County
New York

PROJECT NO.

17024

DRAWING NO.

TITLE OF DRAWING

Study Area

Fig. II- I

2.2 Project Approach

The purpose of this preliminary engineering evaluation is to identify the geographic area of Fulton County that existing community water and wastewater systems can serve by gravity flow.

The project approach includes:

- An inventory and analysis of existing community water and wastewater systems to confirm their ability to serve additional areas.
- Identification of additional service areas.
- Identification of implementation opportunities.

2.3 Recent Planning Studies

In addition to this report, there are four recently completed water and wastewater planning studies that focus on economic development in Fulton County. The studies are summarized as follows:

2.3.1 Fulton County Economic Development Strategy – May 1997

In February 1991, the Fulton County Planning Board conducted a survey of county residents. The purpose of the survey was to identify components of the County Master Plan. The survey noted that the County's economy and job creation were the public's greatest concerns.

In response to the findings of the 1991 survey, Fulton County prepared an update to the 1985 Economic Development Strategy. The update was completed in 1997 and included a review of economic statistics for the County; meetings with Economic Development Agencies; and definition of County assets and liabilities. The *May 1997 Fulton County Economic Development Strategy* defined the highest priority impediments to economic growth. These impediments included:

- Lack of municipal water and sewer services to rural areas and high cost of water and sewer for those municipal users.
- Insufficient number of serviced industrial sites for large and small industries
- High local property-taxes
- Lack of cooperation between governmental entities in the County and the absence of consolidation or sharing of governmental services

In response to the impediments, the strategy investigated the high cost of water and sewer services for municipal users. Findings and recommendations include:

- In Johnstown, water consumption decreased from 2.1 million gallons per day in 1984 to 1.7 million gallons per day in 1994, a 19% decrease.
- In Gloversville, 1934 to 1994, consumption similarly decreased from 3.67 million gallons per day to 2.5 million gallons per day – a 32% decrease. This decline is primarily related to a loss of industry, and particularly, the leather industry.

- In 1984, water rates in the two cities were nearly identical, costing a typical 3 bedroom, 2-bathroom residence, just over \$100 for 100,000 gallons per year. 10 years later, this same usage was just over \$250 in Johnstown (a 140% increase) and about \$210 in Gloversville (a 98% increase).
- Population decline has also contributed to a decrease in water usage, as well as, conservation measures by both residential and industrial users.
- Water costs for the two cities are higher than nearly 80% of other New York State municipalities surveyed. The increases between 1984 and 1994 can be attributed to the following factors:
 - Inflation; Administrative cost increases
 - Operation costs increases in Gloversville for its filtration facility
 - Added debt services operation and maintenance costs arising from constitution of Johnstown's new filtration facility and development of Larabee Reservoir
- To offset increasing water costs, the two water departments should:
 - Examine their operation to determine if greater O & M efficiencies can be achieved; Discuss with each other the possibility of sharing and consolidating services; Eliminate any unnecessary overlap in services and Consider the benefits of merging the water departments with city government
- To increase their water sales, the two cities should:
 - Recruit high volume water consuming industries
 - Sell water outside their current service areas
- The County, working with the two cities and their water departments and other individual municipalities should:
 - Prepare and implement a countywide water and sewer plan and
 - Examine the benefits of a countywide water authority
- There has been no strategic plan to extend water and sewer services from the Gloversville and Johnstown systems. Extension of services has occurred on an ad hoc basis or, when required, for example – by the landfill closure project (water).

*2.3.2 Route 67 Business Parks Feasibility/Engineering Study – March 2000
C.T. Male Associates, PC*

This study was undertaken to evaluate the feasibility and cost effectiveness of developing land located at the Airport and on the north side of Route 67 near the Fulton-Montgomery Community College. The scope of work included:

- Definition of the cost and feasibility of constructing business parks at the two potential sites.
- Evaluation of the cost and benefits of public water and sewer connection alternatives for the proposed business parks including possible service to the community college.
- Identification of environmental concerns, constraints and permits that may be required to develop either or both proposed business park sites.

The report evaluated the feasibility and cost of extending municipal water and sewer systems from both the City of Gloversville and City of Johnstown. The study recommends that the Johnstown water and sewer system be utilized to service the development sites.

The preferred water main connection route would be from Fon Clair Terrace with a booster pump station on NYS Route 67 near its intersection with Heagle Road. A 200,000 gallon elevated water tank with an overflow elevation of 960 would be constructed at the corner of Albany Bush Road and County Road 142 at a ground elevation of 860±. The booster station would be activated by water level controls in the elevated water tank. A master water meter would be located in the booster station. The opinion of cost for the water system extension is \$602,800.

The preferred wastewater collection system would discharge to the Johnstown system at an existing manhole near the intersection of NYS Route 67 and NYS Route 30A. The gravity sewers from the airport area, Albany Bush Road and NYS Route 67 would all flow southeast along NYS Route 67 to Fulton-Montgomery County line where a sewage pumping station would be located. An eight-inch diameter forcemain would convey sewage from this station along NYS Route 67 to the manhole at the NYS Route 30A junction. The opinion of cost for the wastewater collection system is \$548,140.

The study also evaluated the feasibility of extending the utilities further east to the Fulton-Montgomery Community College. The opinion of cost to provide the extension is \$534,900.

2.3.3 Water Distribution System and Transmission Main Modeling City of Johnstown, New York, February 1994 – Stearns and Wheeler

The evaluation was conducted to develop a hydraulic model of the City's water distribution system, and use the model to determine the best routing for a new transmission main from the Cork Center water filtration facility to the City of Johnstown. Fieldwork consisting of hydrant flow testing at various points in the distribution system was completed in October 1993. Data was gathered to establish actual conditions during field-testing, pipeline sizes and age, and water system demands.

The water distribution system model established the condition of the existing distribution system and identifies weak areas in need of repair. The transmission main portion of the project identified the most beneficial method of delivering water to the City.

The transmission main portion of the report also evaluated the feasibility of constructing a new water transmission main from the new Cork Center filtration facility to the City. Three routes were considered in the evaluation.

A distribution system model was developed to aid in selection of the most hydraulically beneficial transmission main route as well as identify weak areas within the distribution system that were in need of repair. The findings of the evaluation included:

Transmission Main

- Installation of a transmission main between the new Cork Center water filtration facility and the existing Main Street pumping station (Route Option 1) is the least costly piping alternative from a capital cost standpoint. The model predicts that with the maximum size pipeline of 24-inch diameter, operation of the Main Street pumping station is still required to fill distribution reservoir under maximum day system demand conditions.
- Rock excavation along the route of the existing transmission main will be necessary between the new water treatment facility and the point at which the main crosses State Route 67. Rock varies in depth between 1 to 8 feet in this area.
- Installation of the new transmission main (Route Option 3) from the new Cork Center water facility to the intersection of O'Neil Avenue and Johnson Avenue via New York State Route 67, County Route 156, cross country and O'Neil Avenue Extension provides the most hydraulic benefit to the system.
- Controls will be required (Route Option 3) to allow full use of the Christman Reservoir source and maintain flows in the transmission main below the maximum capacity of the Cork Center facility.
- (Route Option 3) is slightly more costly than Route Option 1 alternative from a total project cost standpoint.

Distribution System

- The existing distribution system is in relatively poor condition and will not provide fire flows meeting ISO recommendations.
- The system is in poor condition due to the age of the pipe and the large percentage of small diameter (4-inch and 6-inch diameter) pipelines within the system.
- Improvements needs to be made to the system to provide fire flows meeting Insurance Service Office (ISO) recommendations in the industrial areas along Perry Street, in the commercial and public building areas long East Main Street, and in commercial areas along North Comrie Avenue, Residential areas south of Main Street also require strengthening.
- Due to the extensive number of improvements necessary to meet the flows recommended by ISO, an immediate solution to the deficiencies is not economically practical. A systemic program of annual construction projects will be required to gradually improve the carrying capacity of the distribution system.

Recommendations of the evaluation include:

Transmission Main

- Construct a new 20-inch transmission main between the Cork Center Water Filtration Facility and the City. The new main should follow either Route Option 1 or 3. However, considering the advantages of Route Option 3 over Option 1, the benefits of Route Option 3 justify the slight increase in cost of this option. The benefits of Route Option 3 include:
 - The ability to fill Maylander Reservoir without pumping
 - Improving flow distribution throughout the system
 - Providing a strong piping framework on which future distribution projects can build
 - Opening the Route 156 area as a potential service area
 - Providing the ability to integrate the transmission project with the area to be served around the now closed City landfill
- The new transmission pipeline should be operated in parallel with the existing 16-inch diameter water transmission main.
- Submit this report along with a pre-application to the Farmers Home Administration (FmHA) for potential funding opportunities.
- If the project is received favorably by FmHA, proceed with the preliminary and final design phases of the project
- If the complete project, because of its total cost, is not received favorably by the FmHA, consider phasing of the project over several years and resubmit to FmHA.

Distribution System

- Construct a new 16-inch diameter looped water main in the vicinity of the High School to improve fire flows at this critical location.
- Build on the hydraulically strong portion of the distribution system near Maylander Reservoir by constructing the 16-inch diameter.
- Following construction of improvements, continue to evaluate the distribution system using hydraulic model.
- Develop a 5- or 10-year program to improve the distribution system. This program should build upon the recommended improvements of this report. Use hydraulic model to establish the proposed piping improvements and to document the anticipated fire flows.
- Coordinate pipeline replacements with the City's street reconstruction program.

2.3.4 Fulton-Montgomery Community College/Proposed HFM BOCES

HFM BOCES is proposing to construct a new 134,000 square foot central campus on a site on NYS Route 67 immediately west of Fulton-Montgomery Community College (FMCC). They desire to have public water and sewer services to avoid dependence on a groundwater well and on-site wastewater disposal. In addition, FMCC has been experiencing problems with its groundwater wells. The College is also interested in connecting into a public water supply and/or sewer system.

A 2000 study commissioned by the Fulton County Board of Supervisors evaluated the feasibility and cost of extending public water and sewer services out to a potential business park site along NYS Route 67 adjacent to FMCC and the proposed HFM BOCES project site. This study recommended having water and sewer lines extend out to this site, from the City of Johnstown. This route would not only serve a potential business park, the proposed HFM BOCES Project and FMCC but could also service the Fulton County Airport and County-owned lands around the Airport that could be used for business development.

The extension of City of Johnstown water and sewer lines out NYS Route 67 to service the proposed HFM BOCES Project and/or FMCC would require the approval of the City of Johnstown Common Council, Johnstown Water Board, numerous other local and State municipalities and agencies. This issue typifies the challenge facing Fulton County. How can City water and sewer services be extended outside the Cities to serve development occurring in the towns?

Section III -- Inventory and Analysis

3.1 Introduction

This section focuses on information collected on the general nature and condition of public water supply and wastewater treatment facilities in Fulton County. This section evaluates the ability of these public utilities to provide the present and future water supply and wastewater treatment needs in Fulton County.

The primary focus of this study is the larger community systems (City of Gloversville/City of Johnstown) because they are the largest consumers of the County's water resources. The expansion, interconnection and construction of new public systems to meet future needs and goals establish the basis for county planning.

3.2 Existing Community Systems

The following public water/wastewater systems currently exist in Fulton County.

Water

- City of Gloversville
- City of Johnstown
- Village of Broadalbin
- Village of Mayfield
- Village of Northville
- Sacandaga Park

Wastewater

- Gloversville/Johnstown Joint Facility
- Village of Broadalbin
- Village of Mayfield
- Sacandaga Park

Information pertaining to the general nature and condition of these public utilities was obtained from the following sources:

- NYSDOH Inventory of Public Water Supply Systems
- NYSDEC Water Supply Applications
- NYSDEC SPDES Permits
- Questionnaires
- Previous Engineering Reports
- Interviews and telephone conversations with system operators

In addition, interviews and informational meetings were conducted with municipal officials to collect information on the adequacy of existing public systems and to evaluate future needs.

Various considerations and assumptions were made during the evaluations described in this section. It is important to realize that the evaluations are for planning purposes. Considerations and assumptions are presented below. Each municipality should use the information as a basis for additional analysis.

- Limitations such as source safe yield, seasonal fluctuations in water quality and quantity, reliability of the source were considered when evaluating water supply systems. The source safe yield was compared to existing maximum day demands. Where maximum day demands were not reported, they were assumed to be 1.5 times average day demands.

- Limitations such as reported water treatment capacity and reliability were considered when evaluating existing treatment systems. The maximum treatment capacity was compared to maximum day demands. Regulatory requirements state that a treatment system be capable of supplying the maximum day demand.
- This evaluation made no attempt to perform detailed hydraulic analyses for each individual water distribution, water transmission or wastewater collection system. If a deficiency was reported, then it was identified for further study.
- Water storage facilities were principally evaluated for quantity only. Storage facilities should have sufficient capacity to meet domestic demands and where fire protection is provided, fire flow demands. For this evaluation, storage facilities were evaluated on their ability to meet existing average day demands. Fire protection as it relates to storage volume was not evaluated. Analysis of fire protection is not only dependent upon storage volume, but also on the ability of the distribution system to transport water for fire fighting. Without performing an analysis of distribution systems, it is not possible to evaluate fire protection.

Typically, the Insurance Service Office (ISO) provides fire protection ratings for municipalities. The ISO rating is an indicator of the level of fire protection a municipality can provide. This rating is determined by considering water treatment, storage and distribution capacities along with existing fire fighting equipment, hydrant locations and flow tests, ability to respond to a fire, etc.

ISO ratings mainly impact the cost of fire insurance in a community. Raising the ISO rating does not guarantee lower rates since communities in the various ranges generally pay the same rate within the range. Increasing storage volume may increase the level of fire protection but may not impact the ISO rating.

- The hydraulic design of both wastewater collection and treatment facilities is affected by variations in wastewater flows. Wastewater includes domestic and industrial flows as well as infiltration and inflow. Infiltration is water that enters a sewer system from the ground through defective pipes, pipe joints, damaged lateral connections, or manhole walls. Inflow is extraneous stormwater that enters a sanitary sewer system through roof leaders, cleanouts, foundation drains, sump pumps, etc. Stormwater may also enter through older connections between a sanitary sewer and storm sewers and through defective manhole covers and frames. Infiltration/Inflow (I/I) is the total quantity of water from both infiltration and inflow without distinguishing the source.

Many New York State municipal wastewater systems, including those in Fulton County, are impacted by excessive I/I. In addition to the energy expended trying to manage excessive flow, I/I can contribute the contravention of facility effluent standards and downstream water quality degradation.

This evaluation noted wet weather flows when the information was reported from the facility. Wastewater treatment capacity limitations were based on average day flows and not wet weather peak flows. Further analysis and consultation with regulatory agencies is warranted to define whether a facility that is impacted by I/I can accommodate additional customers.

3.3 Village of Broadalbin

Water

Community	Source(s) Safe Yield (mgd)	Approved Treatment Capacity (mgd)	2001 Average Day Demand (mgd)	2001 Maximum Day Demand (mgd)	Supply Capacity Surplus(Deficit) (mgd)	Treatment Capacity Surplus(Deficit) (mgd)
(V) - Broadalbin	0.396	0.396	0.20 *	0.30 *	0.10	0.10

* Estimated

The Village of Broadalbin owns and operates a public water system that serves a population of about 1,350. There are about 500 customers within the Village and 40 customers outside of the Village limits. Based on the population served and an estimated per capita day demand of 150 gallons, the average day water demand (ADD) is estimated at 0.2 million gallons per day (mgd). The maximum day demand (MDD) is estimated at 0.3 mgd.

The Village of Broadalbin's original source of supply was a spring near Second Avenue. A six-inch diameter well was installed adjacent to the spring in about 1928 (Well No. 1). A second well was developed on the bank of Kenneyto Creek near Mill Street in the 1930's allowing the abandonment of Well No. 1. In 1960, a third well was developed in this area. In about 1978, the Mill Street well (No. 3) was disconnected from the distribution system and the Second Avenue wells (1 and 2) abandoned. New wells were also developed in the Second Avenue well field during the 1970's. These wells (3 and 4) continue to supply the Village System in 2001. The New York State Department of Environmental Conservation Public Water Supply Program (PWSP) permits the taking of 0.396 mgd.

The Village distribution system was installed in about 1928. Pressures and flows are reported to be satisfactory except where the system was expanded to meet new development by installing one and one-half inch diameter mains. Users are individually metered. The system includes a seventy year old 300,000 gallon elevated storage tank. The Insurance Services Office (ISO) recommends fire flow for a community of 1350 to be 1250 gpm for 2 hours. Distribution storage should be able to accommodate fire flow and the MDD, or 450,000 gallons. The Village anticipates replacing the tank in the near future. The distribution system also includes two pump stations.

Other anticipated improvements include watermain replacement on 3rd Avenue and Meadow Street and eliminating a dead end main on Almond Street.

The Village of Broadalbin water supply system has moderate excess capacity to serve additional customers or future Village growth.

Wastewater Treatment

Community	Design Capacity (mgd)	Approved Capacity (mgd)	2001 Average Day Flow (mgd)	Wet Weather Flow (mgd)	Treatment Capacity Surplus(Deficit) (mgd)
(V) - Broadalbin	0.15	0.15	0.14 *	n/a *	0.01
* Estimated					

The Village installed a wastewater collection system and treatment facility in 1997. The Village operates the 0.15-mgd treatment facility. The treatment facility consists of a bar rack/screen, grit chamber, primary clarification, rotating biological contactors, secondary clarifiers, tertiary sand filtration and solids handling. The collection system includes seven pump stations.

The facility serves an equivalent population of 1,400 (NYSDEC estimate). The service area consist of about 493 residential units, 33 commercial units and 4 industrial complexes. The *Recommended Standards for Wastewater Facilities – 1990* estimates per capita daily flow for new facilities excluding significant industrial or commercial discharges, at 100 gallons. Based on the equivalent population served and an estimated per capita day flow of 100 gallons, the average daily wastewater flow is about 0.14 mgd. Peak and/or wet weather flows are not known but are likely to exceed treatment facility capacity.

The estimated wastewater average daily flow is less than the estimated average day drinking water demand. Neglecting infiltration of groundwater or inflow, 60 to 80 percent of drinking water consumed becomes wastewater.

The treatment facility discharges to Kenneyto Creek, a Class C stream which lies in the Upper Hudson River Basin.

The Village of Broadalbin wastewater treatment facility does not maintain excess capacity to serve additional customers or future Village growth.

3.4 City of Gloversville - Water

Water

Community	Source(s) Safe Yield (mgd)	Approved Treatment Capacity (mgd)	2001 Average Day Demand (mgd)	2001 Maximum Day Demand (mgd)	Supply Capacity Surplus(Deficit) (mgd)	Treatment Capacity Surplus(Deficit) (mgd)
(C) - Gloversville	6	8	2.5	3.9	2.1	4.1

Gloversville Water Works (GWW) owns and operates a public water system that serves a population of 16,700 residential and industrial customers. Most of these customers are individually metered. The 2001 average daily demand was 2.5 million gallons per day (mgd). Water for public facilities equates to about 0.6 mgd. The maximum day demand was reported at 3.9 mgd. The Gloversville Water Board reported that all residential dwellings have water meters, however, some public buildings such as the firehouse and swimming pool are not metered. The GWW conducted a leak survey about 10 years ago and found about 10 percent of the water to be unaccounted for.

The City of Gloversville surface water supply is obtained from Rice Creek Reservoir, Port Creek Reservoir, Jackson Summit Reservoir, Cameron Reservoir and Lake Edward. The GWB states that the maximum safe yield of the reservoirs is 6 mgd.

The GWW water treatment facility's process consists of pre-sedimentation, aeration, coagulation, settling, multimedia filtration, corrosion control, pH adjustment, fluoridation and chlorination. The facility's approved treatment capacity is 12 mgd. Treatment piping limitations limit the production capacity to 8 mgd.

According to the Gloversville Water Board (GWB) the size of the distribution system varies from 4-inch to 20-inch diameter. The total length of the distribution system is nearly 100 miles. The older water pipes are cast iron and the newer pipes are ductile iron. The distribution system is reported to be in good condition. An eight-inch water line loops around the old Gloversville landfill in the Town of Johnstown. This five-year old water line serves about 77 homes.

Two pumps currently boost water pressure for two areas within the City of Gloversville. One is located at Grandview Drive and South Kingsboro and the second is at Spring Avenue and Fulton Street. A pump at Weskum Woods Road serves about 15 households while another pump on 5th Avenue fills the water tower located at Ayers Hill. A pump on 5th Avenue fills the water tower at the site of the City's old landfill located on East Fulton Street Extension.

According to the GWB, a \$2 million upgrade to the south end water system is being planned. A new storage facility will be constructed near Eagle Street. In addition, the GWB recently completed the installation of a new pumping and chlorination station at Ayers Hill Reservoir.

The Insurance Services Office recommends fire flow for a community of 16,700 to be 4,000 gpm for 4 hours. Distribution storage should be able to accommodate fire flow and the MDD, or 6.2 million gallons.

The City of Gloversville has a source safe yield surplus 2.1-mgd. The GWW treatment facility has an excess treatment capacity of 4.1 mgd. This underutilized resource could be used to serve additional customers and future City growth.

3.5 City of Johnstown - Water

Water

Community	Source(s) Safe Yield (mgd)	Approved Treatment Capacity (mgd)	2001 Average Day Demand (mgd)	2001 Maximum Day Demand (mgd)	Supply Capacity Surplus(Deficit) (mgd)	Treatment Capacity Surplus(Deficit) (mgd)
(C) - Johnstown	3	4.5	1.47	2.09	0.91	2.41

The City of Johnstown Water Works serves a population of about 8,600 customers. All customers are individually metered. The City reports the 2001 average daily consumption is 1.47 million gallons per day (mgd). The maximum day demand (MDD) is reported at 2.09 mgd.

Two surface water sources, Cork Center Reservoir and Christman Reservoir, provide a 3 mgd supply for the City.

The City of Johnstown operates two slow sand water treatment facilities. One is located on County Route 116 between State Routes 29 and 67. Water is fed to this 3-mgd facility from the Cork Center Reservoir. A 16-inch diameter main line distributes water to City of Johnstown residents via Route 67.

The second facility, located at the Christman Reservoir, has a 1.5-mgd treatment capacity and serves the northern portion of the City via a 10-inch main trunk line.

These two facilities also serve about 280 homes in permissive use areas.

Both water treatment facilities were put into service about seven years ago.

A pump station, located on West Main Street, is used to fill an uncovered concrete reservoir that feeds the north end of the City.

The Water Board provides service to the Johnstown Industrial Park. The largest water customers in this industrial park are Benjamin Moore Paints, Wal-Mart Distribution Warehouse. A pump station at Chestnut Street provides the industrial park with water at pressures approaching 120 psi with plenty of fire flow. Growth along Route 67 near the airport and community college may require water service. However, a pump station would be required to provide water to this area due to elevation differences.

The City of Johnstown Water Works has considerable excess source and treatment capacity. The excess capacity could be used by the City of Johnstown to serve additional customers or meet future City growth.

3.6 Gloversville/Johnstown Joint Wastewater Treatment Facility

Wastewater Treatment

Community	Design Capacity (mgd)	Approved Capacity (mgd)	2001 Average Day Flow (mgd)	Wet Weather Flow (mgd)	Treatment Capacity Surplus(Deficit) (mgd)
GJJWTF	13.8	10.1	7.3	20.0 *	2.8

* Reported

The Gloversville-Johnstown Joint Wastewater Treatment Facility (GJJWTF) serves the Cities of Gloversville and Johnstown. Wastewater consists of domestic sanitary sewage from the two Cities as well as high strength industrial waste from more than two dozen industries including leather tanning and finishing, glue manufacturing and textile manufacturing. The treatment facility was built in 1972 and last updated in 1991 to accommodate wastewater flows generated by industry. The upgrade cost was about \$40 million. About one year after the facility was upgraded, several leather industries closed. This industrial decline has continued over the past decade.

The facility design capacity is 13.8 mgd. The facility approved treatment capacity is 10.1 mgd. The 2001 average flow is reported to be 7.3 mgd. The treatment process consists of a mechanically cleaned bar rack/screen, a hand cleaned coarse screen, a grit chamber, primary clarifier, activated sludge process, secondary clarification and metering with a parshall flume. Solids are processed via two-stage anaerobic solids digestion, gravity sludge thickening, beltfilter press for dewatering and, sludge conditioning and storage. Solids are disposed of at an area landfill. The treatment facility discharges to Cayadutta Creek, a Class C stream which lies in the Mohawk River Basin.

Due to a loss of industrial customers, solids production has been significantly reduced. Presently the facility does not operate the solids thickener. Solids are typically dewatered via presses during one shift and the average number of trips to the landfill with dewatered solids has been reduced to between 2 or 3 from 12. Facility personnel report that one aeration basin can be turned off without adversely affecting the effluent water quality. A new aeration system also provides additional nitrogen removal. Presently, a 1.3 to 1.5 million gallon aeration tank is only used for wet weather storage. Facility personnel report that they have not used these aerators in 8 years. In 2000, the facility had an inflow of about 50 percent residential contribution and 50 percent industrial. In previous years the combination of wastewater approached 80 percent industrial and 20 percent residential. Flow from industry decreased in 2000, however, BOD and SS concentrations increased. The facility also experienced increased residential flow in 2000. In addition, they report their SPDES permit has become more stringent.

GJJWTF personnel report that facility flows can significantly increase during wet weather events. Flows at the facility increased from 7 mgd to 22 mgd in a three hour period during a recent 3-inch rainfall event. The facility presently has 3 mgd allocated to manage wet weather I/I. Wet weather flow is estimated at 20 mgd or 250 percent of average daily flows. I/I significantly impacts the GJJWTF. Average daily wastewater flow (7.3 mgd) exceeds the average daily water demands of both Cities (3.97-mgd). Unaccounted wastewater flow is about 2.8 mgd. This is about 46 percent of the average daily flow. As a result, 46 percent of wastewater being treated at the GJJWTF generates no revenue. During periods of wet weather, unaccounted flow is significantly greater. This is an unsustainable model of performance and may limit the ability of the GJJWTF to serve additional customers or expand its service area.

Except during periodic wet weather events, the GJJWTF is operating below its design capacity. This is due, in large part, to the decline in industrial loading resulting from the decline in the local leather industry. This decline has impacted operations at the facility and provides for a significant loss of operating revenues.

The facility serves a limited number of users located outside of the two Cities. The following is a summary of the current number of outside residential customers served by the facility.

- Number of Outside City Customers: 84
- Total Gallons Discharged in 2001: 4.48 million
- Annual Gallons Discharged per Household: 53,300
- Gallons per Household per Day: 150

Currently, there are 84 households, located outside the Cities that discharge to the GJJWTF. These households generate approximately 53,300 gallons of wastewater a year or about 150 gallons per day.

The following table identifies the number of households in each Fulton County town. The number households are defined in the 2000 Census. An estimate of the wastewater volume these households generate is presented based on 150 gallons per day per household.

Municipality	Number of Households	Average Daily Wastewater Generated Per Household (GPD)	Total Average Daily Wastewater Generated (GPD)
Bleeker	232	150	34,800
Broadalbin	1,951	150	292,650
Caroga	588	150	88,200
Ephratah	625	150	93,750
Johnstown	2,471	150	370,650
Mayfield	2,535	150	380,250
Northampton	1,163	150	174,450
Oppenheim	685	150	102,750
Perth	1,318	150	197,700
Stratford	237	150	35,550
Total	11,805		1,770,750

If sewer services were extended to all non-city households in Fulton County, it would generate an additional 1.77 million gallons per day of additional flow to the GJJWTF. However, it is not realistic to assume that sewer service will ever be extended throughout the entire County. This would be cost prohibitive. A more realistic projection would be to review specific areas east of the two Cities. This is an area of Fulton County experiencing the most development because of good soils and transportation access. These areas are within the Towns of Johnstown and Perth.

These two towns had a total of 3,789 households based on the 2000 Census. These towns could generate approximately 0.57 million gallons per day of wastewater. This additional flow would represent only a seven- percent increase in the current GJJWTF average daily flow.

3.7 Village of Mayfield

Water

Community	Source(s) Safe Yield (mgd)	Approved Treatment Capacity (mgd)	2001 Average Day Demand (mgd)	2001 Maximum Day Demand (mgd)	Supply Capacity Surplus(Deficit) (mgd)	Treatment Capacity Surplus(Deficit) (mgd)
(V) - Mayfield	0.5	0.5	0.12 *	0.18 *	0.32	0.32

* Estimated

According to the 2000 census, the Village has a population of 800. Based on the population served and an estimated per capita day demand of 150 gallons, the average day water demand (ADD) is estimated at 0.12 million gallons per day (mgd). The maximum day demand (MDD) is estimated at 0.18 mgd.

A 15-foot diameter well on the shore of Mayfield Lake originally served the Village. The well was supplied by springs and was constructed in about 1922. This well was abandoned in about 1983. Three new wells were constructed north of the original well. Presently, five wells located on ten acres of property are used for the Village's water system. The New York State Department of Environmental Conservation Public Water Supply Program (PWSP) permits an approved taking of 0.5 mgd.

The distribution system was also constructed in about 1922. The system includes four to eight inch diameter cast iron mains. A 150,000 gallon elevated steel storage tank was also constructed in 1922. Fire flow for a population of 800 should be 1,000 gpm for 2 hours. In addition to MDD, distribution storage should be about 300,000 gallons.

The Village of Mayfield serves 32 residences in the Town of Mayfield. The Mountain View Apartment development has requested water service for the 16 apartments within their complex. Additionally, a 200 home trailer park on Lakeside Drive has also requested water service from the Village.

The Village of Mayfield has excess supply and treatment capacity. The Village water system will likely meet future demands. The Village could consider the expansion of their distribution system to serve additional areas within the Town of Mayfield.

Wastewater Treatment

Community	Design Capacity (mgd)	Approved Capacity (mgd)	2001	Wet Weather Flow (mgd)	Treatment Capacity Surplus(Deficit) (mgd)
			Average Day Flow (mgd)		
(V) - Mayfield	0.125	0.125	0.08 *	n/a	0.045 *
* Estimated					

The Village of Mayfield began operating a new gravity wastewater collection system and treatment facility in 2001. The treatment facility includes a grit trap, sequencing batch reactor, sand filtration, and seasonal chlorination. Solids handling consists of an aerobic digester followed by sludge drying beds.

The *Recommended Standards for Wastewater Facilities* – 1990 estimates per capita daily flow for new facilities excluding significant industrial or commercial discharges, at 100 gallons. Based on the population served and an estimated per capita day flow of 100 gallons, the average daily wastewater flow is about 0.08 mgd. Peak and/or wet weather flows are not known.

The estimated wastewater average daily flow is less than the estimated average day drinking water demand. Neglecting infiltration of groundwater or inflow, 60 to 80 percent of drinking water consumed becomes wastewater.

Phase I of the collection system improvements includes six and eight inch diameter sewers and will serve 237 homes. Phase II improvements will serve an additional 97 homes. Phase II will be implemented when additional funding is identified.

The Village of Mayfield wastewater treatment facility does not have excess capacity to service other areas of the county.

3.8 Town of Northampton

Water

Community	Source(s) Safe Yield (mgd)	Approved Treatment Capacity (mgd)	2001 Average Day Demand (mgd)	2001 Maximum Day Demand (mgd)	Supply Capacity Surplus(Deficit) (mgd)	Treatment Capacity Surplus(Deficit) (mgd)
(T) - Northampton	0.288	0.288	0.10 *	0.15 *	0.14	0.14

* Estimated

The Town of Northampton water supply system consists of the Sacandaga Park Water District. The Fonda, Johnstown and Gloversville Railroad as a supply for an amusement park and summer residence colony constructed the Sacandaga Park system in the early 1900's. The system was sold to a succession of private owners and was ultimately acquired by the Town of Northampton in about 1988.

According to Town representatives, about 600 to 700 people are being served by the water system. Based on the population served and an estimated per capita day demand of 150 gallons, the average day water demand (ADD) is estimated at 0.10 million gallons per day (mgd). The maximum day demand (MDD) is estimated at 0.15 mgd.

Supply for this system originally consisted of surface waters impounded in a reservoir. The original surface water source was replaced with a groundwater supply in about 1997. The groundwater supply includes four wells located along County Highway 123. Three wells are operational and the fourth is anticipated to be on-line in 2001. Water quality is reported to be good. A slight corrosion problem has been noted. Within the next 2-3 years customers will be individually metered per a NYSDEC mandate.

The distribution system consists of small diameter (2 to 6 inch diameter) mains. The distribution system is about 100 years old and is in poor condition. Water main breaks are reported to be common. A new 100,000-gallon storage tank was constructed with the new wells in about 1997. Fire flow for a population of 700 should be 1000 gpm for 2 hours. Fire flow in addition to MDD, distribution storage should be 270,000 gallons.

The Town of Northampton water supply system has limited excess capacity to serve additional customers.

Wastewater Treatment

Community	Design Capacity (mgd)	Approved Capacity (mgd)	2001	Wet Weather Flow (mgd)	Treatment Capacity Surplus(Deficit) (mgd)
			Average Day Flow (mgd)		
(T) - Northhampton	0.075	0.075	0.03 *	0.035 **	0.05

* Estimated

** Reported

In 1985, the Town of Northampton established a sewer district and began operation of a private collection system and treatment facility in the Sacandaga Park area. The original treatment facility provided primary treatment by settling and did not meet Federal and State effluent standards. A consent order was issued requiring an upgrade of the facility to provide secondary treatment. The upgrade was recently completed.

The collection system serves about 94 residential units and five commercial properties. Wastewater flow rates are seasonal. Winter flow rates are estimated at 0.014 mgd. Summer dry weather flow is estimated at 0.03 mgd. Infiltration inflow to the collection system is considerable. Wet weather flow rates are reported to be about 0.035 mgd.

The treatment facility consists of an imhoff tank, an equalization tank, rotating biological contactors, a secondary clarifier and seasonal chlorination. Solids are removed by a septic hauler from the imhoff tank.

The Town of Northampton wastewater treatment facility has limited excess capacity to serve additional customers.

3.9 Village of Northville

Water

Community	Source(s) Safe Yield (mgd)	Approved Treatment Capacity (mgd)	2001 Average Day Demand (mgd)	2001 Maximum Day Demand (mgd)	Supply Capacity Surplus(Deficit) (mgd)	Treatment Capacity Surplus(Deficit) (mgd)
(V) - Northville	0.504	0.504	0.17 *	0.26 *	0.25	0.25
* Estimated						

The 2000 census reported that the population of the Village of Northville is 1,140. Based on the number of residents the average day water demand (ADD) is estimated at 0.17 million gallons per day (mgd). The maximum day demand (MDD) is estimated at 0.26 mgd.

The Village of Northville source of supply includes two groundwater wells located on lands owned by the State of New York and regulated by the Hudson River-Black River Regulating District along old NYS Route 30. The permitted taking of groundwater is 0.504 mgd. The wells were developed in about 1997.

Storage and distribution system improvements were also installed in 1997 and included a new 450,000 gallon storage tank and 3,300 feet of 10 inch diameter distribution mains and appurtenances. Fire Flow for a population of 1,140 should be 1000 gpm for 2 hours. Distribution storage meets ISO fire flow recommendations.

The Village of Northville water supply system has excess supply and treatment capacity. The excess supply and treatment capacity could be used to serve additional customers and future Village growth.

The Village of Northville is not served by a community wastewater treatment facility.

Section IV -- Additional Service Areas

4.1 Introduction

Section III – Inventory and Analysis identifies the general nature and condition of public water supply and wastewater treatment systems in Fulton County and the ability of these public utilities to provide the present and future water supply and wastewater treatment needs. Section III confirmed that the larger community systems (City of Groversville/City of Johnstown) have the greatest ability for expansion and interconnection to encourage additional County economic development. Figure IV – 1 presents the existing geographic limitations of City of Groversville/City Johnstown water and wastewater systems within the Town of Johnstown.

Although limited in-filling and re-development is available within the cities, most developable land in Fulton County is located in the towns.

Both cities have an interest in allowing their services to be extended into the Towns if they can realize revenues from development in the Towns resulting from the extension of City services. The Cities of Groversville and Johnstown currently serve a limited number of properties in the Town of Johnstown, the community that completely surrounds the two cities. These service areas are located either in Permissive Use areas or Water/Sewer Districts.

The purpose of this section is to identify general areas outside the two cities where gravity-fed City water and sewer services can be extended.

4.2 Approach

Sear-Brown requested Fulton County to identify potential sites where development could occur. In response, several criteria were established for identifying a potential area for development:

- The site should be in reasonable close proximity to either City.
- The site should be developable with minimal slopes and good access.

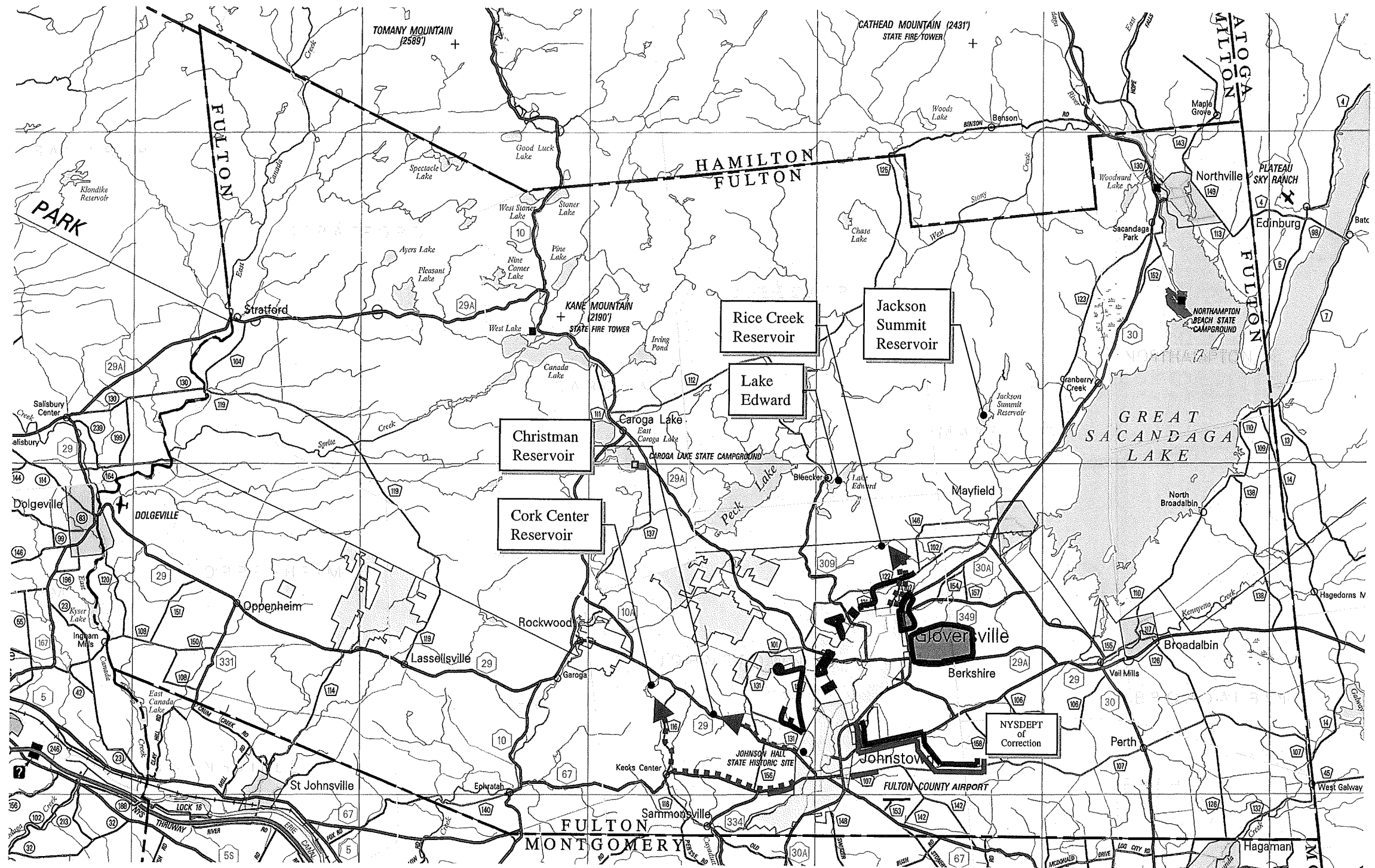
Based upon the application of the two basic criteria, a total of fourteen potential development areas were identified. These areas vary in size from 18 to 225 acres and are presented in Figure IV-2. It must be emphasized that this list is not all-inclusive of all potential development sites outside of the two Cities. These sites were identified to provide a sample of where public water and sewer services may be desired in Fulton County.

Approximate water demands and wastewater flow rates were estimated for the potential development areas using these criteria:

1. The estimate assumed that 75 percent of each area would be developed.
2. Average day water demands were estimated at 0.1 gallon per sq. ft. of developed area.
3. Maximum day water demands were estimated at 1.5 times average day demands.
4. Wastewater flowrates were also estimated at 0.1gallons per square foot of developed area. A peaking factor of 2.1 was selected for each development area.

Information provided by the Cities of Gloversville and Johnstown and the Joint Wastewater Treatment Facility established the condition and ability of the existing water distribution system and wastewater collection system to accommodate additional demands. This information included infrastructure location and size, hydrant flow testing, and collection system depths. Existing elevations were estimated from U.S.G.S. topographic mapping.

Concept designs and alignments of extensions were prepared. Estimated water demands and wastewater flowrates were applied to the designs to confirm where gravity service could be provided.



LEGEND

- WATER TRANSMISSION
- WATER DISTRICT / PERMISSIVE SERVICE AREA
- WASTEWATER DISTRICT / PERMISSIVE SERVICE AREA

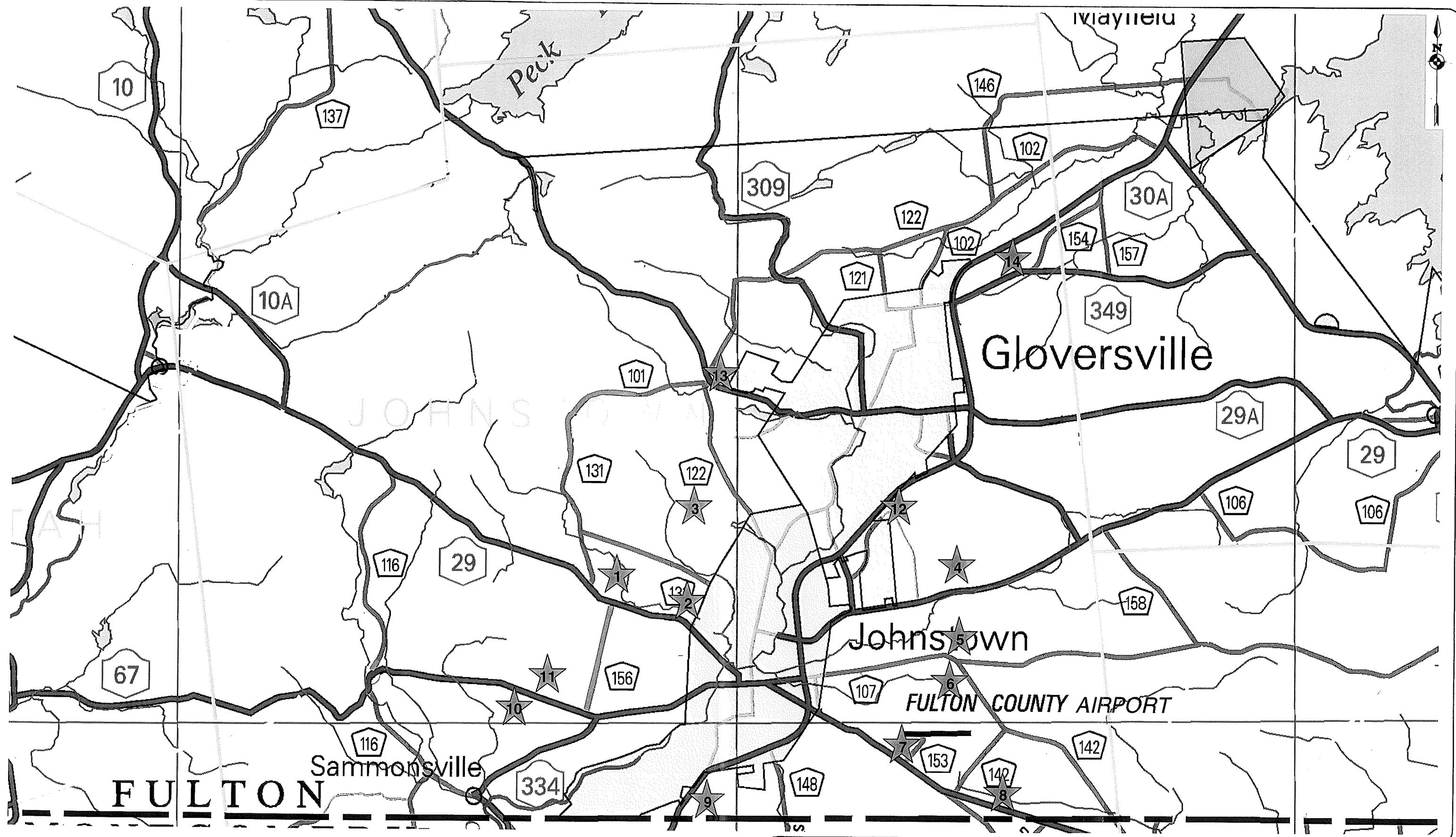
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PROJECT
Water and Wastewater Study
Fulton County
New York
TITLE OF DRAWING
Geographic Limits of Johnstown/ Gloversville
Water and Wastewater within Town

PROJECT NO.
17024
DRAWING NO.
Fig. IV-1



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Fulton County
New York

TITLE OF DRAWING
Potential Development Areas

PROJECT NO.
17024

DRAWING NO.

Fig. IV-2

4.3 Limitations

Various considerations and assumptions were made during the evaluation described in this section. It is important to realize that the evaluations are for planning purposes. Reviewing all possible alternatives and associated costs is beyond the scope of the study.

The scope of this study did not include performing detailed water distribution or wastewater collection system hydraulic analyses of existing systems. The adequacy of existing systems to accommodate additional demands was strictly estimated from information provided by the municipality and discussions with their representatives. Additional limitations not identified and evaluated include:

- Limited sewer hydraulic capacity due to infiltration and inflow.
- Limited downstream sewer capacity due to excessive flow or aging infrastructure
- Adequate water storage facilities to meet fire protection needs and other area wide demands.
- Water quality limitations

4.4 Potential Service Areas

A. General

The City of Gloversville Water Treatment Facility is located at Rice Creek Reservoir. The hydraulic grade line at the outlet of the filtration plant is approximately 1020 feet above mean sea level. As shown in Figure IV-3, the southern and eastern third of the county lie below the filtration plant. This area has the greatest potential for being served with water from Rice Creek Reservoir.

The City of Johnstown operates two slow sand water treatment facilities. One is located on County Route 116 between State Routes 29 and 67. Water is fed to this 3-mgd facility from the Cork Center Reservoir. The hydraulic grade line at the outlet of the filtration plant is approximately 960 feet above mean sea level. As shown in Figure IV-5, the southeast portions of the county lies below the filtration plant. This area has the greatest potential for being served with water from the filtration plant at Cork Center Reservoir.

The second City of Johnstown facility, located at the Christman Reservoir, has a 1.5-mgd treatment capacity and serves the northern portion of the City via a 10-inch main trunk line. The hydraulic grade line at the outlet of the filtration plant is approximately 930 feet above mean sea level. Figure IV-4 shows an area of the county that lies below 960. This is approximately the same area that has the most potential for being served with water from the filtration plant at Christman Reservoir.

The Gloversville-Johnstown Joint Wastewater Treatment Facility (GJJWTF) serves the Cities of Gloversville and Johnstown. The hydraulic grade line at the inlet of the facility is approximately 608 feet above mean sea level. There is a very small portion of the county in the vicinity of Sammons ville, which lies below the GJJWTF. This area has the least potential for being served by the GJJWTF. Figure IV-5 presents an area that could be served by the GJJWTF.

Figure IV-6 shows the areas of Fulton County that can potentially be served by both the GJJWTF and each Cities' water system. As shown on this drawing, that portion of the County east of the two (2) Cities can be serviced by both water and sewer services. It just so happens that this quadrant of the County is where the most developable land exists and has excellent access. This is the quadrant of the County experiencing the most growth and development. The combined population of the Towns of Johnstown, Perth, Mayfield and Broadalbin increased from 11,140 in 1950 to 22,302 in 2000. This represents an 11,162 or 100 percent increase in population during that timeframe. This population growth will generate an increasing demand for public water and sewer systems.

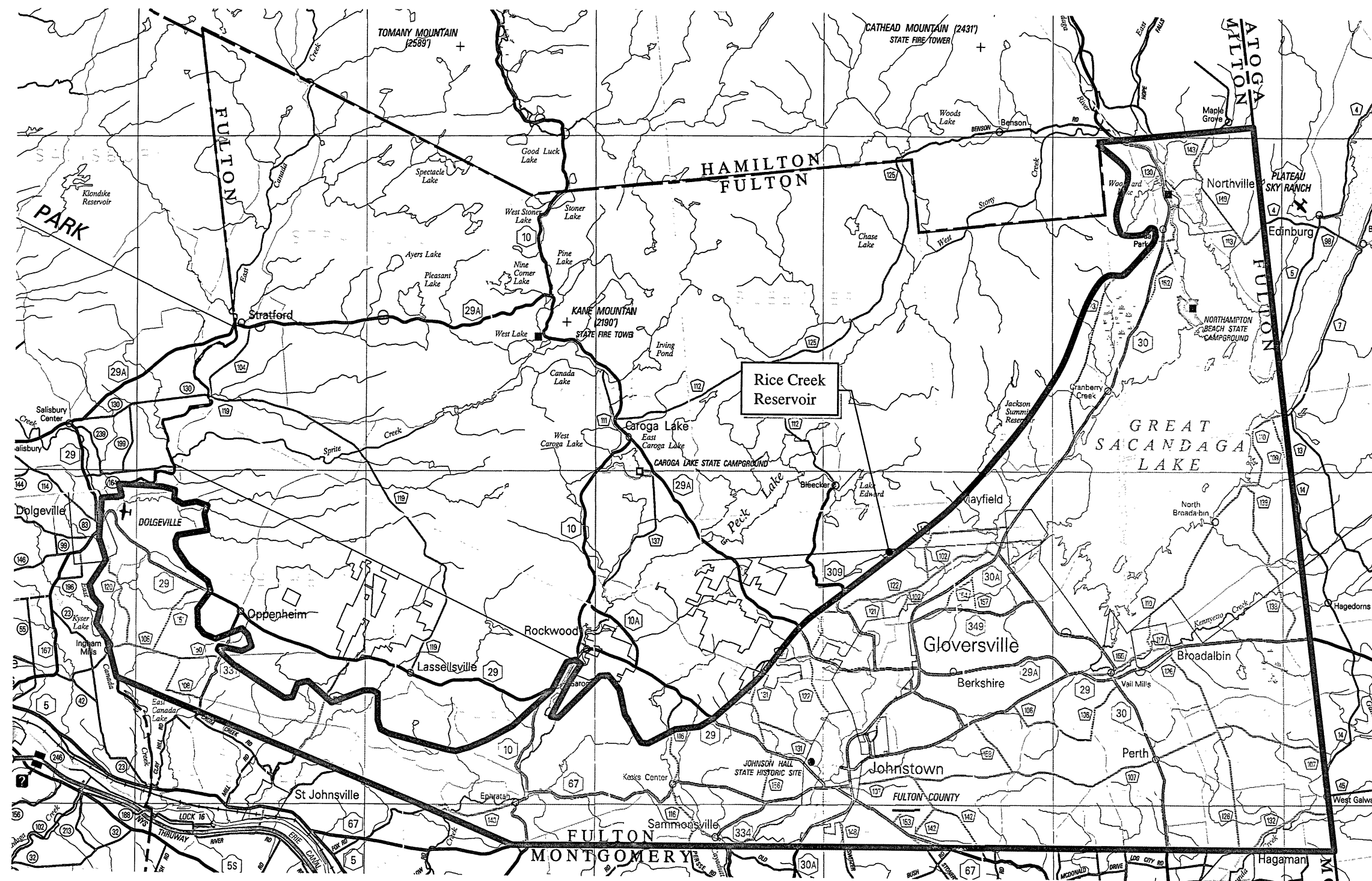
The scope of this study did not include performing preliminary engineering or design to verify whether water lines serving these sites would require booster pumps to maintain water pressure. This determination would be made as part of final design work for a project to actually extend water and/or sewer lines to these sites.

This study shows that the area of Fulton County having the most developable land can be serviced by water and sewer services from the Cities of Johnstown and Gloversville. Given the excess supplies in each City and their need to increase water revenues, the challenge become how to plan ahead for the orderly extension of City water and sewer services to these lands in the Towns. The County of Fulton should look to take a lead role in the planning for these utility extensions.

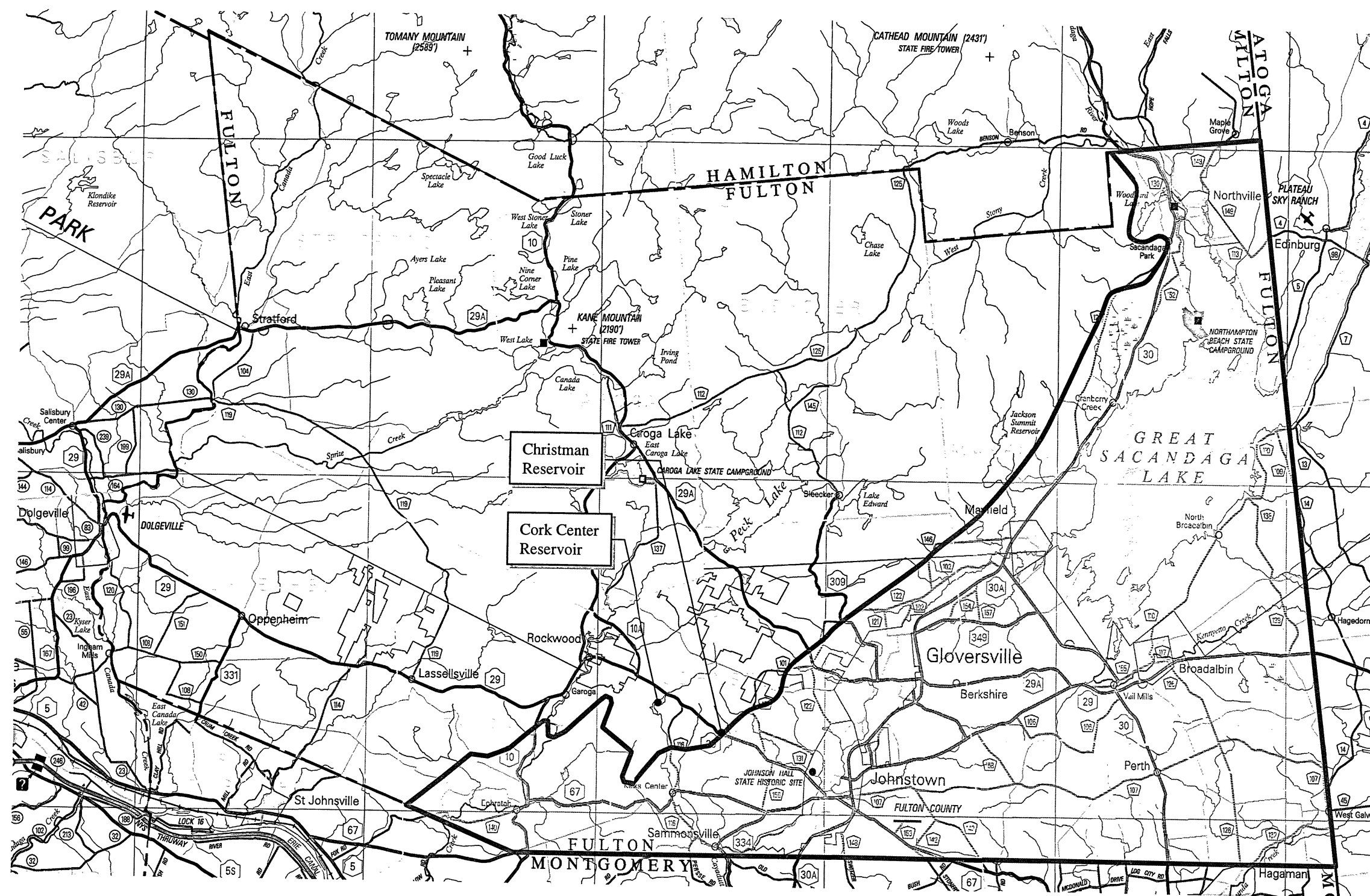
B. Potential Development Sites

The evaluation estimates that seven of the potential development areas could be served with water by extending existing distribution systems. The evaluation does not evaluate the ability of existing transmission systems to support the development of entirely new distribution networks. In addition, the evaluation does not evaluate how additional service could be provided by new water booster stations or wastewater pumping systems.

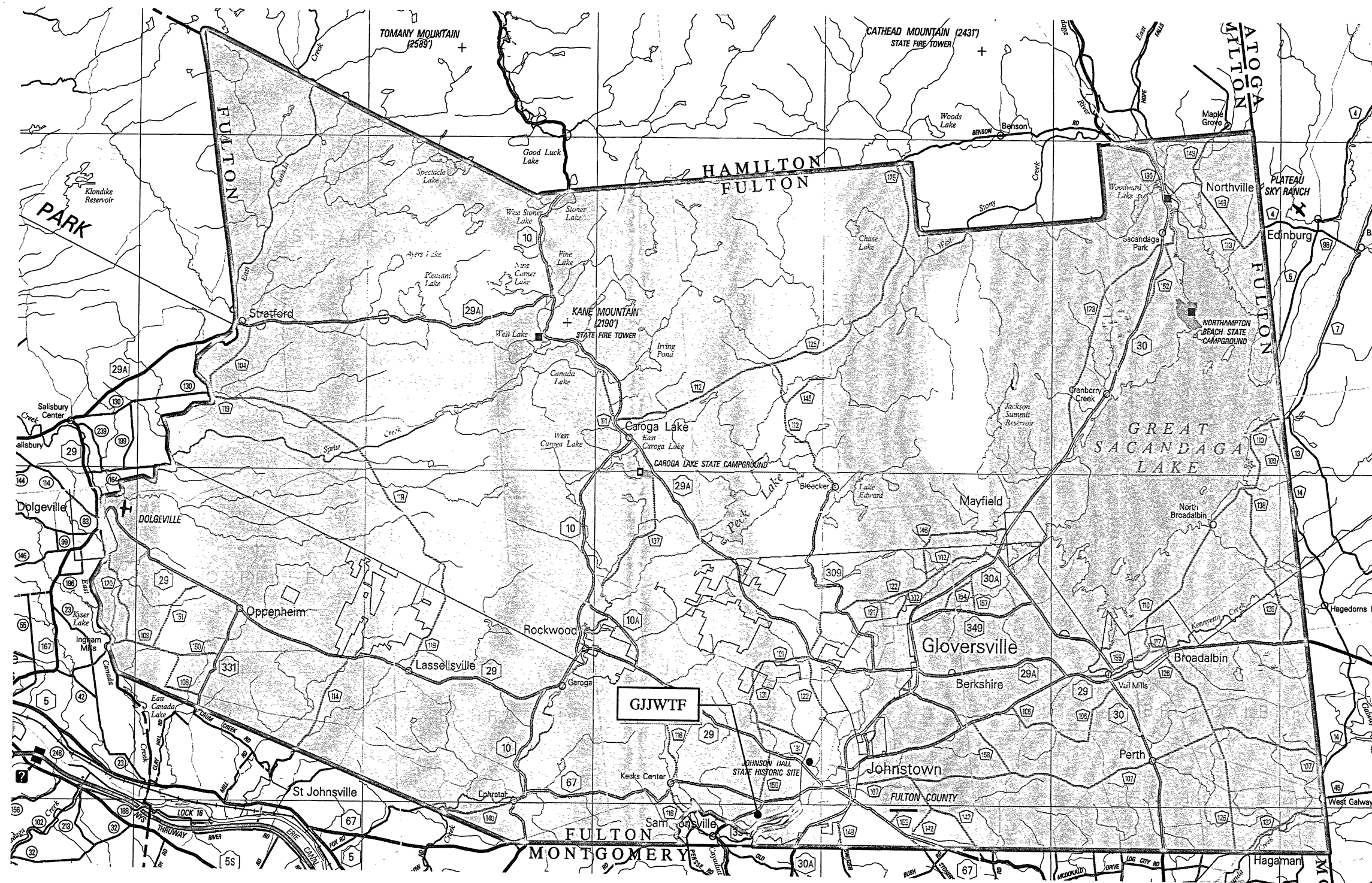
The evaluation also estimates that wastewater collection could be provided at six areas by extending existing sanitary sewers. Water and sewer extensions could serve three potential development areas. Implementation of new wastewater interceptor sewers from the wastewater treatment facility could increase the potential development areas to six. The six sites are presented in Figure IV-7 and establish a priority planning direction for Fulton County.



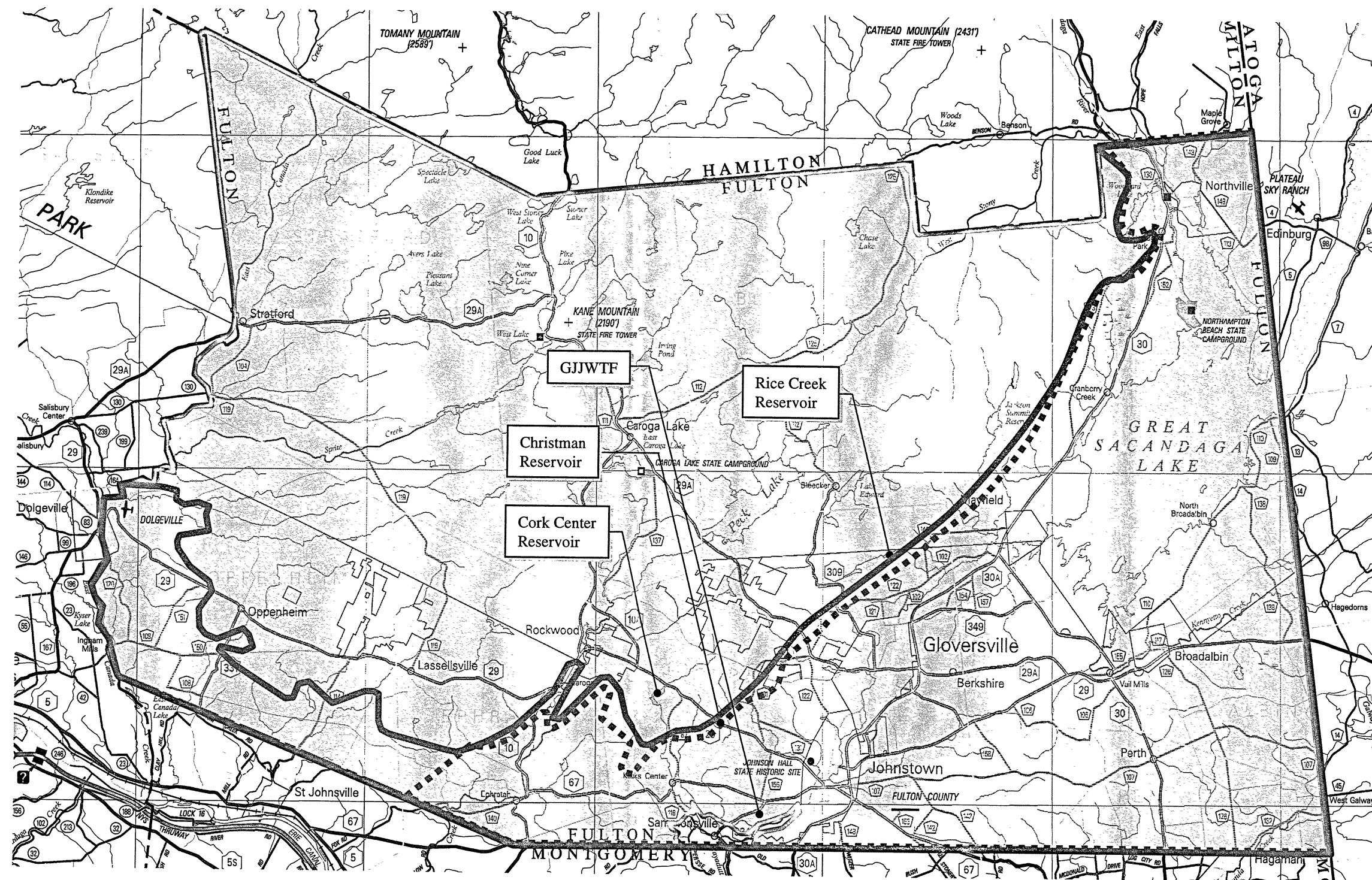
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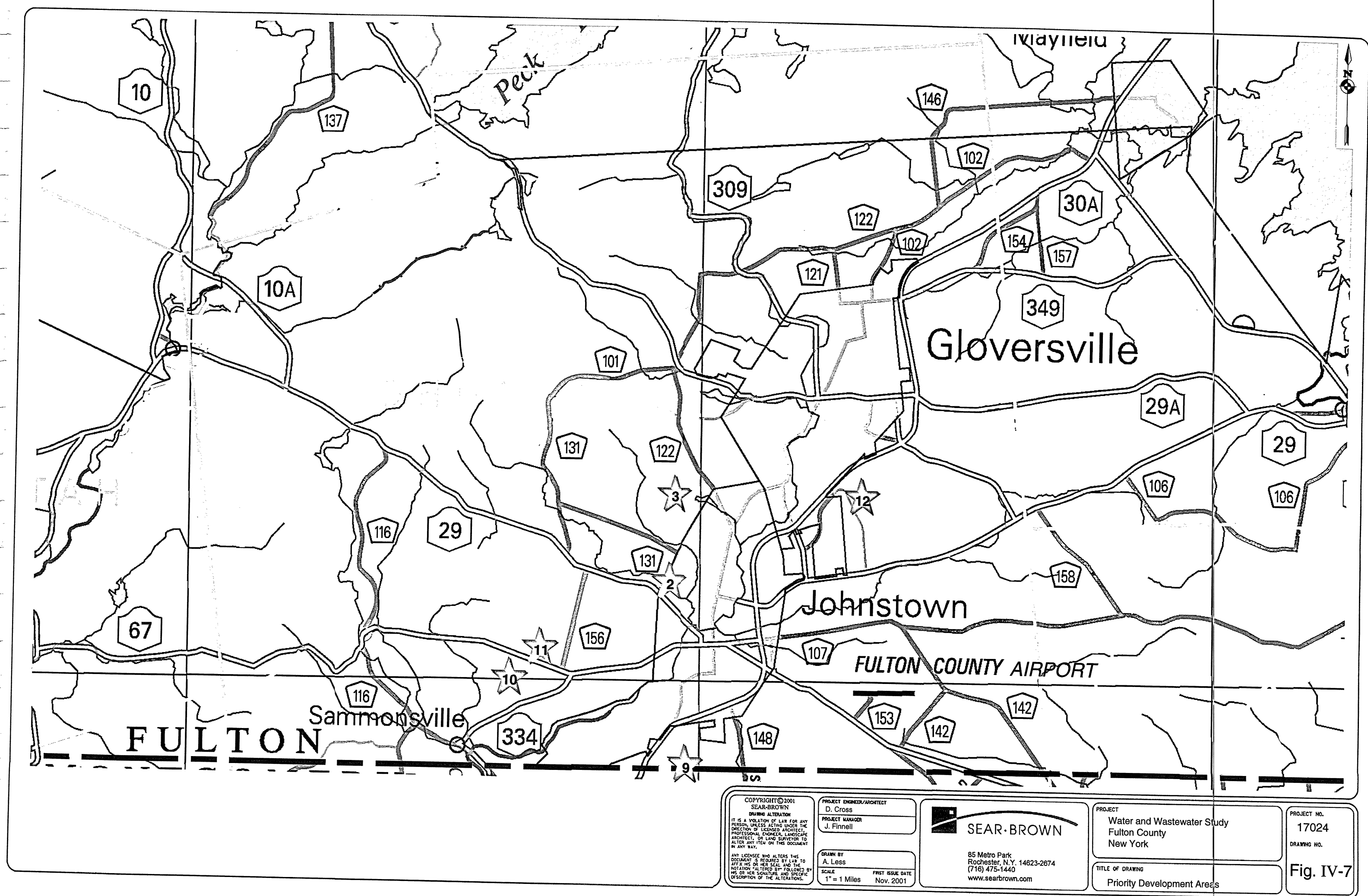
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Section V -- Implementation

5.1 Introduction

The goal of Fulton County's Water and Sewer Study was to recommend a way to simplify and expedite the process for extending water and/or sewer services outside of the Cities. This section will discuss the creation of County Water and/or Sewer Districts as the recommended method of accomplishing this goal.

5.2 County Water and Sewer Districts

It is recommended that Fulton County create one or more County Water and Sewer Districts as the vehicle to simplify and expedite the process of extending City water and sewer services into outlying Towns. The current proposal to extend water and sewer services to Fulton Montgomery Community College and the site of the proposed HFM-BOCES project represents an opportunity to see how a County Water and Sewer District could be structured and operated.

Article 5-A of the New York State Consolidated Laws contains the requirements for creating and operating County Water and Sewer Districts. The following is a summary of the process Fulton County would have to go through to create a Water and/or Sewer District:

1. The Board of Supervisors appoints or establishes an officer, board or body, or designates an existing officer, board or body to act as a county water/sewer agency. The agency could employ such engineering, legal, professional or other assistance that as may be necessary to study water and sewer issues. The Board of Supervisors authorizes agency funding. The agency may provide service to any municipality within the County.
2. A petition is presented to the Board of Supervisors requesting that a certain area or areas of Fulton County be established as a county district. The petition must be executed and acknowledged on behalf of a municipality by the chief executive officer of the municipality. In lieu of the execution of the petition by the chief executive officer, the petition may be executed and acknowledged by at least twenty-five (25) percent of owners of taxable real property in the proposed area.
3. The Board of Supervisors directs the Water/Sewer Agency to prepare a map, plan and report for the proposed district.
4. The findings of the Water/Sewer Agency would be submitted to the Board of Supervisors. The findings would include the district boundary, preliminary engineering, funding sources, opinions of cost, and annual cost per equivalent dwelling unit.
5. A public hearing would be conducted.
6. The Board of Supervisors would then determine, by resolution, whether or not the proposed improvements are satisfactory and that those receive benefit in the district.
7. The Board of Supervisors would then adopt a resolution approving the establishment of the district, the construction of the improvements and allocation of costs.

Given the number of towns that could seek water and sewer services and the existence of two (2) municipal water systems to work with, the creation of larger County Districts would appear more comprehensive and efficient than creating smaller Town Districts. The creation, administration and operation of County Water and Sewer Districts, however, cannot occur without the commitment of time, money and resources by the County. It is recommended that Fulton County meet with its legal counsel to review and discuss all issues prior to proceeding with implementing districts. Water and Sewer Districts would be a new venture for Fulton County, and the County should be fully informed and familiar with what it will be embarking on before it gets started.

5.3 *Financing of Public Water Systems*

One of the most important issues facing County Water and Sewer Districts is financing the cost of construction. Districts must generate sufficient revenue to offset capital funding and annual operation and maintenance costs. Operation and maintenance costs are generally offset entirely by user charges. These charges may be imposed on a water quantity used basis, per customer basis, or other methods of determining use. Capital costs can be offset by federal and state grant and loan programs (when available) and/or through long-term notes and bonds.

Several Federal agencies provide program resources for water and wastewater improvements. Currently, the principal resources include:

United States Department of Agriculture (USDA)
Rural Development (RD)
Rural Utilities Service (RUS)
Water and Waste Disposal Loan and Grant Program

Water and Environmental Programs (W E P) provides loans, grants and loan guarantees for drinking water, sanitary sewer, solid waste and storm drainage facilities in rural areas and cities and towns of 10,000 or less. Public bodies, non-profit organizations and recognized Indian tribes may qualify for assistance. W E P also makes grants to nonprofit organizations to provide technical assistance and training to assist rural communities with their water, wastewater, and solid waste problems.

The RD/RUS has been funding water and wastewater projects for many years. The major criteria for receiving funds from the program are a demonstrated need and the Median Household Income of the community. RD/RUS have three levels of funding for water and waste disposal projects:

- First, if the Median Household Income is below \$31,534, the community, may be eligible for a 75 percent grant and 25 percent loan. The interest rate on the loan can be as low as 4.5 percent.
- Second, if the Median Household Income were between \$31,535 and \$39,417, the community would be eligible for a 55 percent grant and 45 percent loan. The interest rate on the loan would be no greater than 7 percent.
- Third, if the Median Household Income is \$39,418 or greater, the community may be eligible for a loan only at market rate. These criteria may change for the next fiscal budget year, as well as the existing regulations.

The Median Household Income, as per the 1990 census, for the Town of Byron is \$35,903. Given that the income is greater than \$31,534 and less than \$39,417, the Town may be eligible for a 55 percent grant and 45 percent loan for the water supply project.

RD/RUS provides long term financing which begins only after construction has been completed. Therefore, during design and construction, the community must provide interim financing through bond anticipation notes. The interest cost incurred is only loan eligible and cannot be used in equating grant/loan ratios.

New York State Department of Health and
Environmental Facilities Corporation
Drinking Water State Revolving Fund Program

Passage of the New York State Clean Water/Clean Air Bond Act of 1996 and enactment of the Federal 1996 Safe Drinking Water Act Amendments, establishes a Drinking Water State Revolving Fund (DWSRF). The program assists public water systems to finance needed drinking water infrastructure facilities. The program is administered jointly by the New York State Department of Health and the New York State Environmental Facilities Corporation (EFC).

The DWSRF provides subsidized financing for water supply projects that provide the public with safe drinking water, bring facilities into compliance with federal or state health standards or prevent future violations of standards. Examples of eligible projects include treatment facilities, distribution main replacements, and storage facilities. The DWSRF loans are available to both publicly and privately owned facilities and to non-profit, non-community water systems.

Projects intended to consolidate water supplies are eligible for DWSRF assistance if the consolidation is designed to address such problems as individual homes or public water systems having inadequate quantity of water, contaminated water, or water systems unable to maintain adequate compliance for financial or managerial reasons. In addition, the purchase of a portion of another system's capacity is eligible if the project will bring the smaller system into compliance and is the most cost-effective solution available.

The DWSRF provides low interest rate loans for construction of eligible water system projects. As loans are repaid, money will be available to be used again for new loans. In addition, for communities with demonstrated financial hardship, interest rates can be reduced to as little as zero percent. For the most severe hardship situations, direct financial assistance payments from the Bond Act are available.

Drinking water projects are reviewed to determine eligibility for funding and scored based on an established priority ranking system. Communities whose water projects are ranked high enough will be evaluated for financial hardship based upon a comparison of projected and targeted service charges for a typical household expressed as a percentage of Median Household Income for the service area.

The DWSRF may provide additional financial assistance to water systems serving communities experiencing economic hardship. Additional financial assistance will be accomplished by first reducing the interest rate as necessary to lower the projected service charge to the Target Service Charge. If an interest free loan does not provide enough benefit to reach the Target Service Charge, Bond Act financial assistance payments are anticipated to be available at the same time the project receives its DWSRF loan.

Projects, which qualify for financial hardship assistance, will be provided with written confirmation letters and in future Intended Use Plan periods placed on the Hardship List. Confirmation that a project qualifies for hardship assistance will help facilitate funding coordination with other agencies such as Rural Development and HUD. Co-funding is anticipated and encouraged by the provision of additional points to a project score in the priority system. Coordination of joint funding of projects will be done on a project by project basis.

U.S. Department of Housing and Urban Development The Community Development Block Grant (CDBG) Program

The Community Development Block Grant (CDBG) Program is a federally funded program authorized by the Housing and Community Development Act of 1974, as amended and administered by the U.S. Department of Housing and Urban Development (HUD). The CDBG Program provides funding to assist communities to ensure decent affordable housing for all, to provide services to the most vulnerable in our communities, to create jobs and expand business opportunities to implement a wide variety of community and economic development activities directed toward neighborhood revitalization, economic development and the provision of improved community facilities and services. CDBG is an important tool in helping local governments to meet the most serious challenges facing their communities.

Funding for the CDBG Program is provided in annual formula grants directly to entitled metropolitan cities and urban counties and to States for funding to non-entitled incorporated Counties, Cities, Towns, and Villages. Section 106 of Title 1 permits States to elect to assume the administrative responsibility for the CDBG Program for non-entitlement areas within their jurisdiction. Non-entitlement areas are incorporated Counties, Cities and Villages with a population of less than 50,000 and Counties with an unincorporated area population of less than 200,000.

Pursuant to the Federal Fiscal Year 2000 Appropriations Act for the U.S. Department of Housing and Urban Development, the Governor of New York State assumed responsibility for New York States CDBG Program, the Small Cities Program. The Governor's Office for Small Cities began administering the Small Cities CDBG Program for non-entitlement jurisdictions of the State of New York beginning with Federal Fiscal Year 2000. The Governor's Office for Small Cities (GOSC) was created under state law within the New York State Housing Trust Fund Corporation, a public benefit corporation to administer the annual CDBG allocation from HUD.

The GOSC conducted a consultation process with local governments and the public that included several public hearings, to assist the GOSC in developing the State's CDBG Small Cities Program. The New York State Small Cities Program represents the collective effort of all the individuals, local governments, and organizations that have participated in its development.

In accordance with New York State's 2001-2005 Consolidated Plan and its 2001 Action Plan, The GOSC annually invites eligible applicants to submit applications for the competitive round of Small Cities CDBG funding for Housing, Public Facilities, and MicroEnterprise activities. A Notice of Funding Availability announcing the competitive round of funding is published early in the year.

About \$50 million of Small Cities funds are available annually to eligible applicants within New York State. The maximum grant amount for Housing, Public Facilities, and MicroEnterprise grants is \$400,000 for towns, villages, and cities, \$600,000 for counties and joint applications and \$750,000 for Comprehensive grants.

Identifying the need for CDBG funding must be initiated and developed at the local level. It must be based upon the community's analysis of its local needs, priorities, and benefits to the community. Each eligible applicant pursuing funding must be responsible for meeting all of the state and federal requirements including the eligibility of each activity and compliance with one of the following national objectives: benefit persons of low and moderate income, aid in the prevention or elimination of slums or blight, or meet other community development needs of particular urgency.

New York State Department of Environmental Conservation and
Environmental Facilities Corporation
Clean Water State Revolving Fund

New York's CWSRF has gained widespread recognition as a program that provides low-interest rate loans to municipalities to construct water quality protection projects. As the loans are repaid, money is available to be used again for new loans - a true revolving fund.

The CWSRF program, in existence since 1990, has made over \$5.37 billion in loans to 351 communities. These loans will save municipal borrowers significant interest costs. For communities with demonstrated financial hardship, the interest rate may be as low as zero for the duration of the loan.

Communities all across New York State have benefited by receiving financial assistance for the planning, design, and construction of a variety of projects that protect water quality.

5.4 *Fulton County Water and Sewer Agency*

There are several institutional vehicles by which a County can plan, monitor and manage water resources. Countywide resource management can be a part of or the expansion of duties of existing County departments. On a more formal basis, Counties can establish management agencies, advisory boards or task forces to provide monitoring and management functions under the direction of the County Board of Supervisors. Counties can also establish authorities or districts to provide planning, construction, operation or maintenance functions for specific service areas.

Currently, the Fulton County Planning Department performs some water/wastewater planning for public utilities. The Planning Department has historically had a very active role in water/wastewater planning and management in Fulton County. The Department is involved in the development of regional land use plans; population projections; distribution and maintaining economic, geological and housing data, all of which impact current and future water/wastewater needs.

Observations completed as part of this study note that existing regional water/wastewater planning and management is not effective. There is a need within Fulton County for a cooperative effort to meet future water/wastewater needs. Several municipalities expressed a desire for assistance to meet existing water/wastewater needs. Continual pressure from state and federal agencies as well as the complex nature of ever changing regulations also confirms a need for additional assistance. Given the nature of the County's water/wastewater resources; the number of small water systems; the required intermunicipal and regional planning efforts; and present and proposed regulations, it is recommended that Fulton County Government assist local communities in the management of development of water/wastewater resources. The County serves as a logical liaison between various local utility systems; County departments; and other outside agencies including the NYSDEC and NYSDOH.

It is recommended that Fulton County formalize communications between municipalities and the County by creating a single group to assume an active role in coordinating the planning and management of local and regional utility providers. It is recommended that the County Board of Supervisors consider the formation of a County Sewer and Water Agency.

The Agency would be a special assignment responsibility for the Board of Supervisors. The Agency members consist of municipality representatives and acts in an advisory capacity to the Board of Supervisors relative to water and sewer infrastructure needs. The responsibility of the Agency is generally limited and does not extend to the management of County water/wastewater resources.

The Agency could employ such engineering, legal and professional assistance for proper regional resource planning. The Agency would not take away the powers or duties of existing water boards or the GJJWTF. Given the Planning Department's knowledge of existing systems and municipalities, they could assist in coordinating the Agency. The Agency would conduct, with local assistance, planning/engineering studies for regional water/wastewater improvements and make recommendations to the Board of Supervisors.